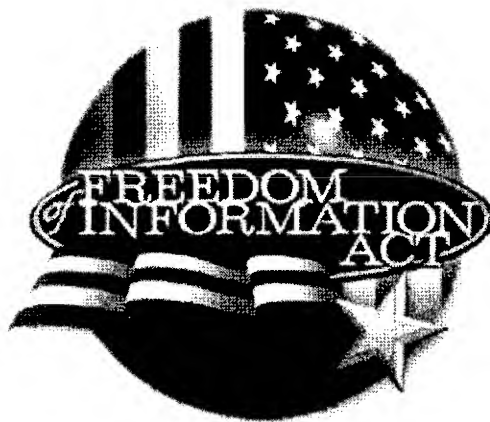


FREEDOM OF INFORMATION AND PRIVACY ACTS

SUBJECT: MORRIS B. DALITZ

FILE NUMBER: 92-3068 SECTION:8

PART: 9 OF 12



FEDERAL BUREAU OF INVESTIGATION

**FEDERAL BUREAU
OF INVESTIGATION**

**FREEDOM OF INFORMATION/PRIVACY ACTS
RELEASE**

SUBJECT: MORRIS B. DALITZ

FILE: 92-3068 Section 8

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OBTAINABLE IS
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CONDITION OF THE
ORIGINAL DOCUMENT.
NO BETTER COPY CAN BE
REPRODUCED.**

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 9/22/65	INVESTIGATIVE PERIOD 6/8 - 9/20/65
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY SA [REDACTED]	TYPED BY rmb
		CHARACTER OF CASE AR	b7c

REFERENCE:

Report of SA [REDACTED] dated 6/9/65, at Las Vegas.

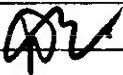
- P -

ENCLOSURESTO THE BUREAU (2)

Original and one copy of letterhead memorandum characterizing informants utilized in instant report.

LEADSLAS VEGAS DIVISIONAT LAS VEGAS, NEVADA

Will follow and report activities of subject.

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: ④ Bureau (92-3068) (2-10-65) 2- Las Vegas (92-461)		92-3068-44	REC-21
		12 SEP 27 1965	
COPIES DESTROYED 9 25 MAY 22 1972			
Dissemination Record of Attached Report		Notations	
Agency		STAT. SECT.	
Request Recd.	1-Dept. 10-7-65		
Date Fwd.			
How Fwd.	1-D+D		
By			
55 OCT 19 1965			

LV 92-461

ADMINISTRATIVE DATA

b7D [REDACTED]

INFORMANTS

b2
b7C
b7D [REDACTED]

- B* -

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

b7C
Report of: SA [REDACTED]
Date: September 22, 1965

Office: Las Vegas, Nevada

Field Office File #: 92-461

Bureau File #: 92-3068

Title: MORRIS BARNEY DALITZ

Character: ANTI-RACKETEERING

Synopsis: DALITZ is an executive and part-owner of the Desert Inn Hotel and Stardust Hotel, Las Vegas, Nevada, and he resides on the ground of the Desert Inn. He was in Europe during parts of July and August, 1965. Subject continuing to expand his real estate holdings in Las Vegas and California.

b7D [REDACTED]
[REDACTED] Identity of associates set forth.

- P -

DETAILS:

RESIDENCE AND EMPLOYMENT

b2
b7D [REDACTED] has advised on several occasions that when in Las Vegas, Nevada, DALITZ resides at the Desert Inn Hotel or in a cottage located directly behind the hotel on the hotel grounds.

He is president of the Desert Inn Operating Company and owner of 12.2 per cent of the company. He is also the president of Karat, Inc., operating company of the Stardust Hotel-Casino. He owns 22 per cent of Karat, Inc.

LV 92-461

TRAVEL

subject returned to Las Vegas after vacationing in Europe for approximately one month.

DALITZ visited in Spain and was in London, England. He returned from Europe on approximately August 6, 1965.

that following his return from Europe, DALITZ generally remained in the Las Vegas area except for brief visits to the La Costa Golf and Country Club in San Diego, California.

GENERAL BUSINESS ACTIVITIES

that after returning from Europe in June, 1965, DALITZ cleared customs through Boston, Massachusetts, and stopped over at Detroit, Michigan.

These individuals are associated with organized crime in the Detroit area.

LV 92-461

According to informant, DALITZ owns a substantial interest in the La Costa Golf and Country Club located near San Diego, California.

b7D [REDACTED]

[REDACTED]

b2 [REDACTED] that DALITZ still owns his boat which is docked in Gibraltar.

b7C [REDACTED] both associates of subject at the Desert Inn Hotel.

b7D [REDACTED]

MORRIS KLEINMAN is presently one of the principal owners of the Desert Inn Hotel and has been a close associate of DALITZ for many years.

ASSOCIATES

781-# [REDACTED]

LV 92-461

Records of the New York Office reflect that a [REDACTED] has FBI Number [REDACTED] and had been arrested on numerous occasions dating from February 12, 1935 through October 6, 1948.

[REDACTED]

[REDACTED] all well known hoodlums.

[REDACTED]

[REDACTED] in which DALITZ also has an interest.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Las Vegas, Nevada

In Reply, Please Refer to
File No.

September 22, 1965

Title MORRIS BARNEY DALITZ

Character ANTI-RACKETEERING

Reference Report of Special Agent [REDACTED]
[REDACTED] dated and captioned as
above.

b7c

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
Las Vegas, Nevada

September 22, 1965

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

b7C

Reference is made to report of Special Agent [REDACTED]
[REDACTED] dated and captioned as above.

Set forth below is a characterization of the
informants utilized in referenced report.

b2
b7D

[REDACTED]

This document contains neither recommendations nor
conclusions of the Federal Bureau of Investigation. It is
the property of the Federal Bureau of Investigation and is
loaned to your agency; it and its contents are not to be
distributed outside your agency.

BA
54
The Attorney General

October 1, 1965

Director, FBI

MOE BALITZ
TAX FRAUD

1 - Mr. Belmont
1 - Mr. DeLoach
1 - Mr. Gale
1 - Inspection Staff
1 - Mr. McAndrews
1 - Mr. Mohr

In conversation with Assistant Director C. D. DeLoach on September 29, 1965, you desired to be certain that the evidence giving rise to the [REDACTED] had not emanated in any way from tainted sources as intimated by Balitz's attorney, Edward Bennett Williams.

Our information indicates that the [REDACTED]

According to information available to this Bureau, [REDACTED]

None of the information furnished to Internal Revenue Service or the Department in this case by the FBI came from any tainted sources.

1 - The Deputy Attorney General

1 - Mr. Fred M. Vinson, Jr.
Assistant Attorney General

NOTE: See memorandum J. H. Gale to Mr. Belmont dated 10/1/65, same caption, McA: [REDACTED]

MAILED 8
OCT 1 1965
COMM-FBI

REC-66

19 OCT 1 1965

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66 OCT 6 1965

TELETYPE UNIT ☐

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Mohr

FROM : C. D. DeLoach

DATE: September 29, 1965

Tolson _____
Belmont _____
Mohr _____
DeLoach _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

SUBJECT: DISCUSSION WITH THE ATTORNEY GENERAL 9/29/65
INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE
MOE DALITZ - TAX FRAUD
WAKENING OF REPORTERS DURING STEEL SITUATION

#36,622
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 10/20/87 BY SP8 BTJ/RBY

I saw Harold Reis, Executive Assistant to the Attorney General, at 11:00 a.m. this morning relative to the Attorney General accepting an invitation to speak before the International Association of Chiefs of Police (IACP) convention. I outlined for Reis fully the fact that this was an attempt to take advantage of the Attorney General's position and prestige and that it seemed outrageous for a member of the Cabinet to be used in such a manner. I told him that the Director had turned down such an invitation and principally because the invitation had been extended only 3 weeks before the convention was to take place. Reis was fully advised of vicious remarks against the Director as well as remarks concerning the Uniform Crime Reporting program and the fact that [redacted] had attempted to "freeze" the FBI out of the police training field.

[redacted]

The Attorney General called me at 2:00 p.m. and I was out of the building. I called his office at approximately 3:20 p.m. and was told that he would like for me to come over right away.

Upon seeing the Attorney General [redacted]

- 1 - Mr. Belmont
1 - Mr. Casper
1 - Mr. Gale
1 - Mr. Rosen
1 - Mr. Jones

Continued on next page....

OCT 11 1965

Re: Discussion with the Attorney General, 9/29/65

him I thought it would be bad to send anyone from the Justice Department inasmuch as Tamm would consider this to be a slap at the Director. [REDACTED]

she did not call. X

I told the Attorney General that I doubted this very seriously, however, we would of course make a check regarding the matter. I told him that Hundley would be the principle source to make such a check inasmuch as I felt certain that considerable information concerning Dalitz had been sent to Hundley. I also mentioned that it seemed that Williams was more or less on a "fishing expedition" to ascertain facts.

Continued on next page.....

DeLoach to Mohr memo, 9/29/65

Re: Discussion with the Attorney General, 9/29/65

[REDACTED]

I told the Attorney General that we had already done this and that had promised he would correct the record in the next edition of his book

[REDACTED]

referred

Facts are facts & DeLoach has never seen it & get record straight.

I told the Attorney General that to my knowledge we had received no press inquiries thus far, however, the record certainly needed to be straightened out. I mentioned that the worst part of this entire matter was the fact that former Attorney General Kennedy had promised the Director that he would take full responsibility for this matter; yet, when Kennedy had been interviewed by reporters he disclaimed that responsibility and put the entire burden upon the FBI.

I told the Attorney General that Kennedy had sidestepped the issue with some fancy language and had left the FBI hanging high and dry.

[REDACTED]

I asked the Attorney General how he liked our new television show.

[REDACTED]

I told him this program had two great moral values; one, that human life was precious to the FBI, and, two, no case was too large or too small to receive efficient handling by the FBI.

[REDACTED]

Continued on next page.....

DeLoach to Mohr memo, 9/29/65

Re: Discussion with the Attorney General, 9/29/65

The above matters were telephonically discussed with the Director following my return from the Attorney General's office.

ACTION:

(1) I will follow with Harold Reis concerning the Attorney General's proposed appearance before the International Association of Chiefs of Police.

Yes. Being done

(2) We should carefully check with Jack Rosenthal the Attorney General's proposed remarks regardless of whether he or an Assistant Attorney General, or anyone from the Department, makes a speech before the IACP.

Yes. Being done

(3) The Special Investigative Division should carefully check regarding information sent to the Department concerning Moe Dalitz to ascertain if such information was obtained in a manner described by attorney Edward Bennett Williams. The major responsibility in this regard, of course, lies with the Organized Crime Section and the Tax Division of the Department.

Yes & promptly.

(4) In accordance with the Director's instructions, I will obtain from Bureau files the copy of the letter which the Director furnished to the late President Kennedy concerning the awakening of reporters during the steel price rise issue.

✓ G.M. Being done

UNITED STATES GOVERNMENT

Memorandum

TO :

Mr. Belmont

DATE: October 1, 1965

FROM :

J. H. Gale

SUBJECT:

MOE DALITZ
TAX FRAUD

Tolson _____
Belmont _____
Mohr _____
DeLoach _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

In a memorandum from Mr. DeLoach to Mr. Mohr dated September 29, 1965, the Director instructed that the Special Investigative Division promptly ascertain whether the information giving rise to the [REDACTED] had emanated in any way from tainted sources, as intimated by Dalitz's attorney, Edward Bennett Williams.

ACTION

There is attached a letter to the Attorney General outlining the fact that our files clearly indicate that the [REDACTED]

This letter points out that insofar as this Bureau knows, there is no tainted evidence in this case.

- 1 - Mr. DeLoach
- 1 - Mr. Belmont
- 1 - Mr. Gale
- 1 - Inspection Staff
- 1 - Mr. McAndrews
- 1 - Mr. Mohr

McA:ras (7)
Enclosure - sent 10-1-65

REC-69 727-13068 H45

OCT 11 1965

FBI WASH. DC

BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
NOV 19 1965

TELETYPE

FBI CHICAGO

200 PM CST DEFERRED 11/19/65 PAK
TO DIRECTOR (92-3068)
FROM CHICAGO (92-410) 1P

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. DeLoach	_____
Mr. Casper	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. Felt	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Mr. Holmes	_____
Miss Gandy	_____

MORRIS BARNEY DALITZ, AKA; AR.

RE CHICAGO TEL TO LAS VEGAS NOVEMBER EIGHTEEN LAST.

FOR INFO BUREAU, BUAGENTS WHILE AT O'HARE AIRPORT ON ANOTHER
MATTER OBSERVED DALITZ AWAITING FLIGHT TO LAS VEGAS SEVEN P.M.
NOVEMBER EIGHTEEN LAST.

[REDACTED]

CUSTOMS WILL BE CONTACTED FOR FURTHER DETAILS AND LAS VEGAS
WILL BE FURTHER ADVISED. AIR MAIL COPY LAS VEGAS.
END

WA... RHM
FBI WASH DC 6 1965

EX 110

REC-3A

30 NOV 22 1965

446

9-11

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 12/16/65	INVESTIGATIVE PERIOD 9/20/65 - 12/14/65
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY [REDACTED]	TYPED BY al
		CHARACTER OF CASE AR	

REFERENCE:

Report of SA [REDACTED] 9/22/65, at Las Vegas.

- P -

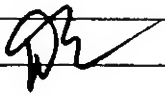
ENCLOSURES: TO THE BUREAU (2)

Original and one copy of a letterhead memorandum characterizing informants utilized in instant report.

LEADS:THE LAS VEGAS DIVISIONAT LAS VEGAS, NEVADA

Will follow and report activities of subject.

ADMINISTRATIVE DATA:

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: (4) - Bureau (92-3068) (Encls. 2) 2 - Las Vegas (92-461)		447 REC-69 EX-113 1 DEC 20 1965	
COPIES DESTROYED 9-25 MAY 1972		Notations	
Index on Record of Attached Report			
Agency			
Request Recd.			
Date Fwd.	1cc Dept 12/28/65		
How Fwd.	30		
By	69 DEC 29 1965	[Stamp: 1cc DTP] [Stamp: 1cc DTP]	

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of: **b7C**
Date: [REDACTED]

Office: Las Vegas, Nevada

Field Office File #: 92-461

Bureau File #: 92-3068

Title: MORRIS BARNEY DALITZ

Character: ANTI-RACKETEERING

Synopsis: DALITZ is an executive and part owner of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and resides on the grounds of the Desert Inn Hotel. He has continued to travel extensively throughout the U.S. and Europe during recent months. Subject is president of the Stardust International Raceway, which was recently completed in Las Vegas. He was reportedly in contact with MEYER LANSKY and JOSEPH DOC STACHER, nationally-known hoodlums. Subject was indicted for income tax evasion in October, 1965. He entered a plea of not guilty. FBI Identification Record set forth.

- P -

DETAILS:RESIDENCE AND EMPLOYMENT

**b2
b7D** [REDACTED] has advised on several occasions that when in Las Vegas, DALITZ resides at the Desert Inn Hotel or in a cottage located directly behind the hotel on the hotel grounds.

He is president of the Desert Inn Operating Company, operators of the Desert Inn Hotel, and the owner of 12.2 percent of the operating company. He is also the president of Karat, Inc., operating company of the Stardust Hotel, and he owns 22 percent of Karat, Inc.

LV 92-461

b7D

[REDACTED]

INFORMANTS:

b2
b7C
b7D

[REDACTED]

TRAVEL

[REDACTED]
[REDACTED] At this time, this boat was docked in Cannes, France.

b2
b7D [REDACTED] that on this date DALITZ returned from Europe where he had spent the past 12 days, primarily in the area of the Mediterranean Sea.
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] that DALITZ left Las Vegas on December 8, 1965, and went to Miami, Florida. From Miami he traveled to the Bahamas Islands.
[REDACTED]

ACTIVITIES

L An article appeared in the September, 1965 issue of the Desert Inn News, a monthly publication published by the Desert Inn Hotel. This article reflected that the Stardust International Raceway in Las Vegas was officially opened on September 21, 1965. Subject was identified in the article as being president of the Stardust Racing Association.

ASSOCIATES

[REDACTED] that DALITZ had been [REDACTED]

b2
b7C
b7D
[REDACTED] and [REDACTED] and [REDACTED] and a person believed by the informant to be subject, were observed conferring [REDACTED]. All of the above named individuals are known by informant to be close associates of MEYER LANSKY.

[REDACTED] that on this date informant observed MEYER LANSKY and an individual believed to be subject by informant, in conference at the [REDACTED]

[REDACTED] DALITZ met JOSEPH DOICSPACHER [REDACTED]

[REDACTED], DALITZ did have dinner with SPACHER on this occasion [REDACTED]

INDICTMENT FOR INCOME TAX EVASION

Articles appearing in Las Vegas daily newspapers on October 14, 1965, reflected that on the previous day DALITZ had been indicted by a Federal Grand Jury in Los Angeles, California, along with ELI BOYER, Los Angeles accountant, for violation of income tax regulations. The indictment specifies they had attempted to evade and defer payment of a portion of DALITZ' income tax for the year 1959. They were charged specifically with declaring profits from a stock disposed of by DALITZ as a long term capital gain, rather than as ordinary income.

DALITZ appeared in court in Los Angeles on November 1, 1965, at which time he entered a plea of not guilty to the above charges.

FBI IDENTIFICATION RECORD

Following is the FBI Identification Record for DALITZ dated October 21, 1965:

LV 92-461

FBI # 4 124 252

CONTRIBUTOR OF FINGERPRINTS	NAME AND NUMBER	ARRESTED OR RECEIVED	CHARGE	DISPOSITION
Army	Moe Barney Dalitz #15078140	June 29, 1942		
United States Marshal Reno Nevada	Moe Barney Dalitz #6720	January 8, 1952	conspiracy to defraud and commit offenses against the United States	January 8, 1952 released on \$10,000 bond retained at Newark New Jersey
United States Marshal Newark New Jersey	Moe Barney Dalitz #1945-A	January 11, 1952	conspiracy	
Police Department Las Vegas Nevada	Moe Barney Dalitz #SA-510	applicant finger- printed August 5, 1954		
Nevada Tax Commission Gambling Division Carson City Nevada (print returned)	Moe B. Dalitz #1357	applicant print received July 21, 1960		
St Bu Sacramento Calif (prt ret)	M.B.Dalitz #24664	appl FP 12-23-64		
				Company - Dept of A.B.C. 1350 Front Street San Diego 1 Calif Residence - Desert Inn Las Vegas
Deputy USM San Diego Calif	Moe Barney Dalitz #18269	10-14-65	consp (income tax)	



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
December 16, 1965

Title MORRIS BARNEY DALITZ

b7c

Character

ANTI-RACKETEERING

Reference

Report of Special Agent [REDACTED]
[REDACTED] dated and captioned as
above.

All sources (except any listed below) whose identities
are concealed in referenced communication have furnished reliable
information in the past.



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE

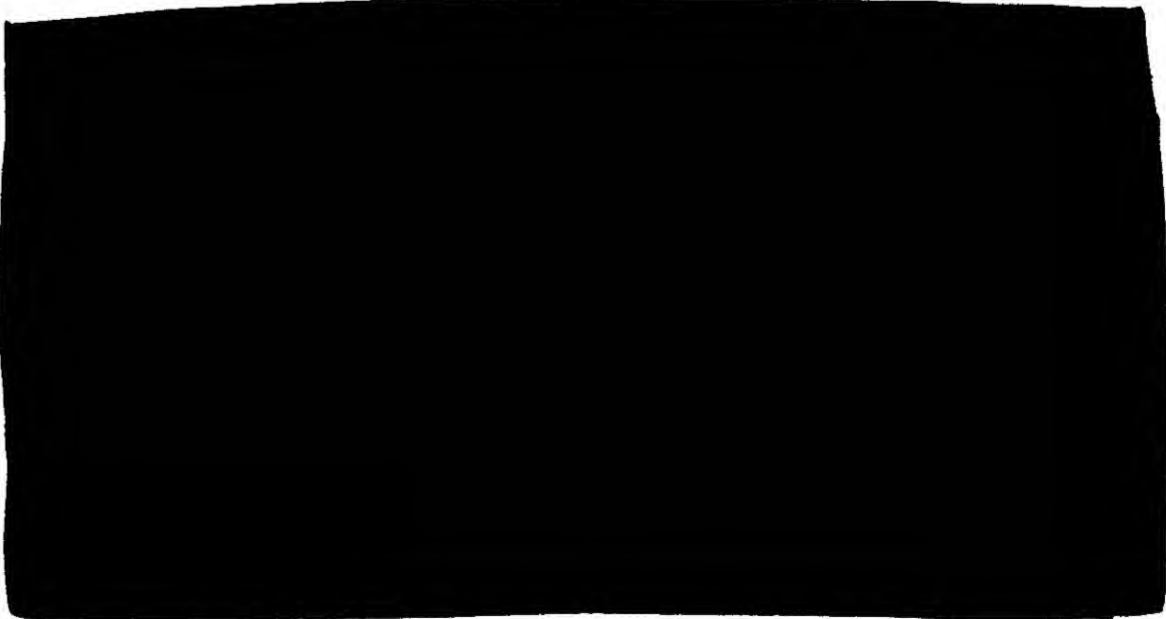
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
December 16, 1965

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

Reference is made to report of Special Agent
[REDACTED] dated and captioned as above.

Set forth below is a characterization of the
informants utilized in referenced report.



This document contains neither recommendations nor
conclusions of the FBI. It is the property of the FBI and
is loaned to your agency; it and its contents are not to
be distributed outside your agency.

FBI

Date: January 4, 1966

Mr. Tolson	_____
Mr. DeLoach	_____
Mr. Mohr	_____
Mr. Casper	_____
Mr. Callahan	_____
Mr. Conrad	_____
Mr. Felt	_____
Mr. Gale	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Mr. Wick	_____
Tele. Room	_____
Miss Holmes	_____
Miss Gandy	_____

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL AIRMAIL
(Priority)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (P)

MORRIS B. DALITZ
AR
(OO: Las Vegas)

DALITZ and ELI BOYER were present in Federal Court, Las Vegas, Nevada on 12/27/65. They appeared pursuant to a summons issued 12/16/65. They were represented by retained counsel DAVID GOLDWATER, who moved for admission of BRUCE I. HOCHMAN of Los Angeles, California, to practice in Nevada for purposes of this case. The motion was granted.

Over the Government's objections, the Court ordered that both defendants be released on their own recognizance instead of the \$1,000 bond on which they had been held on the previous indictment in Los Angeles.

The Court also granted defendants permission to file a motion to dismiss prior to filing of motion to suppress. The case was continued for entry of plea until March 14, 1966.

Las Vegas will follow this matter and keep the Bureau advised.

③ - Bureau
1 - Las Vegas

RBT:ng
(4)

C. C. Wick

REC-69

EX-113

14 JAN 11 1966

Approved: _____

51 JAN 14 1966 Special Agent in Charge

Sent _____ M Per _____

25

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (92-3068)

DATE: 2/23/66

FROM : SAC, LAS VEGAS (92-461) (P)

SUBJECT: MORRIS LIPKIN CALITZ, a/k/a
AR

OO: Las Vegas

Enclosed for the completion of the Bureau's files is a current photograph of above subject. This photograph was taken in February, 1966.

1cc+d
② - Bureau (92-3068) (Enc. 1)
1 - Las Vegas (92-461)
LM:lk
(3)

photo d+d
ENCLOSURE

REC-21

92-3068-449

RECORDED
2 MAR 2 1966

54 APR 19 1966

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 4/13/66	INVESTIGATIVE PERIOD 12/15/65 - 4/4/66
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY [REDACTED]	TYPED BY aIf
		CHARACTER OF CASE AR b7c	

REFERENCE:Report of SA **[REDACTED]** 12/16/65, at Las Vegas.

- P -

ENCLOSURES: TO THE BUREAU (2)Original and one copy of a letterhead memorandum characterizing informants utilized in instant report. **u**LEADS:THE LAS VEGAS DIVISIONAT LAS VEGAS, NEVADA

Will follow and report activities of subject.

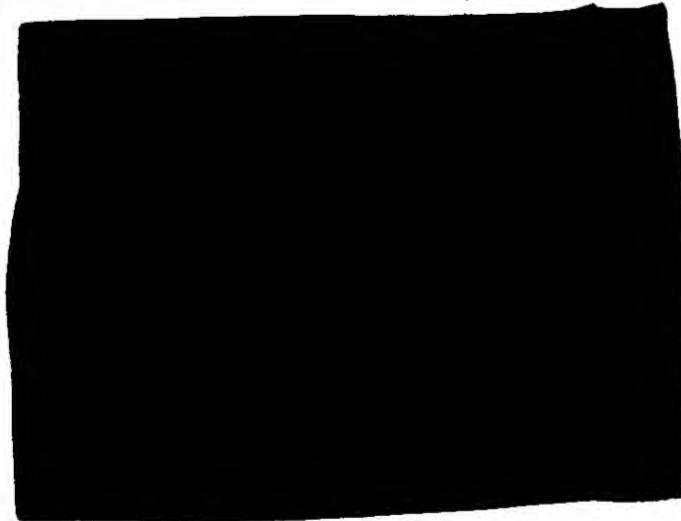
ADMINISTRATIVE DATA:

APPROVED [Signature]	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: ④ - Bureau (92-3068) (92-3068) 2 - Las Vegas (92-461)		450	REC-28 ST-108
COPIES DESTROYED 9 25 MAY 23 1972		APR 15 1966	
Dissemination Record of Attached Report		Notations	
Agency	1cc Sept	b7c [REDACTED] [REDACTED] [REDACTED] [REDACTED]	
Request Recd.	1cc Sept		
Date Fwd.	2cc filed		
How Fwd.			
By	54 MAY 13 1966 [Signature]		

LV 92-461

INFORMANTS:

b2
b7C
b7D



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of:

Date:

4/13/66

Office: Las Vegas, Nevada

Field Office File #:

92-461

Bureau File #: 92-3068

Title:

MORRIS BARNEY DALITZ

Character:

ANTI-RACKETEERING

Synopsis:

DALITZ is an executive and part owner of the Desert Inn and Stardust Hotels, Las Vegas, Nevada, and resides on the grounds of the Desert Inn Hotel. He has continued to travel throughout the U. S. and Europe during recent months. Records, USDC, Las Vegas, reflect on 12/27/65 subject was present in court, and the court ordered a continuance for entry of plea until 3/14/66 regarding subject's income tax evasion indictment. Identity of contacts set out.

- P -

DETAILS:RESIDENCE AND EMPLOYMENT

62
67D

[REDACTED] DALITZ resides at the Desert Inn Hotel or in a cottage located directly behind the hotel on the hotel grounds.

He is president of the Desert Inn Operating Company, operators of the Desert Inn Hotel, and the owner of 12.2 percent of the operating company. He is also the president of Karat, Inc., operating company of the Stardust Hotel, and he owns 22 percent of Karat, Inc.

CRIMINAL PROCEEDINGS

The "Las Vegas Review Journal" issue of December 17, 1965, contained the following article:

"Grand Jury Indicts Dalitz

"The Federal Grand Jury indicted Las Vegas gambler Morris (Moe) Dalitz Thursday on charges of conspiring to evade income taxes.

"DALITZ and Eli Boyer, a Los Angeles business man and a senior partner in a Southern California accounting firm, were accused of conspiring to obtain a special tax reduction by virtue of a fraudulent claim of long term capital gain on sale of 5,000 shares of stock in Turbo Dynamics Corp., of Nevada.

"Dalitz, president of the operating companies for the Desert Inn and Stardust Hotels, and Boyer were named in a similar Los Angeles indictment Oct. 13.

"THEY PLEADED innocent to the California charge. They sought dismissal of the charge, a change of venue and a bill of particulars."

b7c The San Diego Office advised by communication dated December 15, 1965, that on November 17, 1965, Chief Deputy United States Marshal [REDACTED] San Diego, advised SA [REDACTED] that on October 14, 1965, DALITZ, as MOE BARNEY DALITZ, accompanied by his attorney, JACK DONNELLY, turned himself in to the United States Marshal's office. He was fingerprinted under United States Marshal number 18269, but was not photographed as the United States Marshal's office has no facilities for taking photos. The charge was reflected as conspiracy to violate income tax laws. [REDACTED] advised that DALITZ was taken before United States Commissioner ELMER ENSTROM, Jr., on October 14, 1965, and was released on \$1,000 bond.

The records of the United States District Court (USDC) at Reno, Nevada, indicate under file number 13804 that MORRIS B. DALITZ and ELI BOYER are at liberty as of December 22, 1965,

LV 92-461

and that a summons is to be issued and bail set at \$1,000 for each. The court also ordered that this case be given USDC, Las Vegas, Nevada, file number 1274.

The records of the USDC, Las Vegas, file number 1274, in the matter captioned United States v. MORRIS B. DALITZ, ELI BOYER, indicate that the defendants appeared in this court pursuant to a summons issued on December 16, 1965, with retained counsel, DAVID GOLDWATER, who moved for admission of BRUCE I. HOCHMAN to practice for purposes of this case, and this motion was granted. (Both attorneys represent both defendants.)

DALITZ indicated this to be his true name, is 66 years old, and possessing a high school education. A copy of the indictment was served and a reading was waived. The court ordered a continuance for entry of plea until March 14, 1966, at 9:30 AM.

BOYER indicated that this was his true name, and that he was 46 years old. He claimed a Bachelor of Science college degree. A copy of the indictment was served and a reading was waived. The court ordered a continuance until March 14, 1966, for entry of plea.

Over the government's objection, the court ordered as to both defendants a motion for their own recognizance instead of bond of \$1,000.00, and rather than transferring the bond from case number 1263, defendants are at liberty on their own recognizance and the bond in the other case will be exonerated. The court also ordered permission to file motion to dismiss prior to filing of motion to suppress granted and also ordered any exhibits to any motions filed in file number 1263 may be withdrawn on request of counsel and attached to motions to be filed in this action.

TRAVEL

b2
b7D [REDACTED] that DALITZ
left Las Vegas, Nevada, on December 8, 1965 [REDACTED]
[REDACTED]

b2
b7D

[REDACTED]

[REDACTED] that DALITZ
left the Desert Inn Hotel, probably on January 3, 1966 [REDACTED]
[REDACTED]

has been out of Las Vegas [REDACTED] that DALITZ [REDACTED]

[REDACTED]

[REDACTED]

in London, England, on March 14, 1966, and in Cannes, France, on March 17, 1966.

[REDACTED]

[REDACTED]

LV 92-461

[REDACTED]

The Miami Office of the FBI advised the following by communication dated January 28, 1966:

[REDACTED] that no information concerning the subject has come to his attention.

The following investigation was conducted by SA [REDACTED]

62
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Review of current City Directory and Telephone Directory for the West Palm Beach, Florida, area on January 10, 1966, as well as review of the records of the Palm Beach County Credit Bureau, the Palm Beach County Sheriff's Office, and the Police Department in West Palm Beach and the Police Department in Palm Beach, Florida, failed to reveal any record for subject, [REDACTED]

Local directories do identify one [REDACTED] Florida, who also has a telephone at the [REDACTED]

On January 10, 1965, [REDACTED] Palm Beach, Florida, Police Department advised he is not familiar with the [REDACTED] or DALITZ, nor does he associate the names with Palm Beach. [REDACTED] said he does associate the name of [REDACTED] but he knows nothing specific about him, except that he is a man of some wealth who travels in wealthy circles in the area.

On that same date, [REDACTED] advised he is not familiar with DALITZ, the [REDACTED] or [REDACTED] nor does he associate the names with yachting or yacht sales in the area. He said [REDACTED] apparently retired man, who was and probably still is in the [REDACTED] in New York City.

[REDACTED] but he did not know if this person is in any way associated with anyone by the name of [REDACTED]

[REDACTED] advised that the subject was seen with JAKE LANSING at the Singapore Hotel on the weekend of October 30, 1965.

LV 92-461

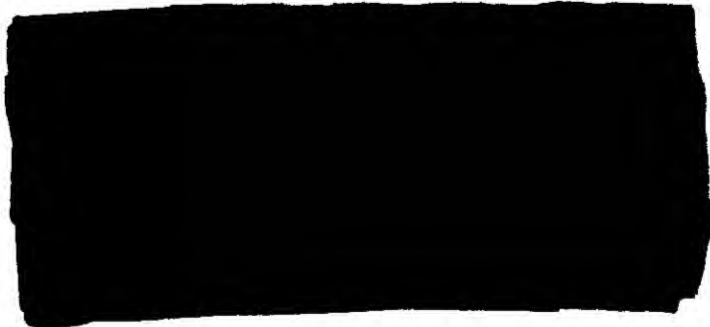
b2
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[
[REDACTED] advised that the subject was seen at the Bayshore Golf Club in the presence of JAKE LANSKY [REDACTED] and others.

MISCELLANEOUS

The Chicago Office of the FBI furnished the following information in communication dated December 29, 1965:

[REDACTED] Custom's Agent, Chicago Office, who interviewed and searched DALITZ at the time of his arrival in Chicago, furnished the following information on December 22, 1965, to SA [REDACTED]

The Chicago Custom's file number is CH 22-265. The following names and telephone numbers were found on a piece of paper in DALITZ's possession:



b7c
Also listed were the following banks and figures following every one:

First National Bank	13991.54
Bank of Nevada	25,000
Nevada Bank Commission	25,000
Bank of Las Vegas	28,154.76
Valley Bank	26,446.25
Nevada State Bank	51,860.89

State of Nevada driver's license MD 99122 issued January, 1965, to MOE B. DALITZ, Las Vegas.

Passport number B195021 issued July 5, 1961, to MOE BARNEY DALITZ. Agent [REDACTED] advised that complete information regarding DALITZ's travel might be of interest

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LV 92-461

since he admitted making 13 trips at least into the United States since 1961, and he said his passport bore so many notations it was difficult to differentiate between them.

He also had a business card from La Costa Country Club, Costa Del Mar Road, Carlsbad, California, MORRIS BARNEY DALITZ, 729-7111. A business card bearing the following:

ADRIAN WILSON and Associates
816 West 5th Street
Los Angeles, California
MA 6-8171, with a notation Aw Faia,

Another business card of DOROTHY SOLOMON
71-75 New Oxford Street
London
WCI
telephone Temple Bar 1801/5

"Crown album number B338"
appear on a slip of paper with no known significance.

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET2 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.Section 552Section 552a☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☐ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☐ (b)(7)(C)☐ (k)(1)☒ (b)(7)(D)☐ (k)(2)☒ (b)(7)(E)☐ (k)(3)☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)☐ Information pertained only to a third party with no reference to you or the subject of your request.☐ Information pertained only to a third party. Your name is listed in the title only.☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s):

☐ For your information:☒ The following number is to be used for reference regarding these pages:

HQ 92 - 3068 - 450 pgs 8+9

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X NO DUPLICATION FEE X
X FOR THIS PAGE X
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FBI/DOJ

LV 92-461

The Miami Office of the FBI furnished the following information by communication dated February 15, 1966:

The following investigation was conducted by SA [REDACTED] at Miami, Florida:

[REDACTED] advised the yacht "Golden Plover" is a 40-foot yacht, as owned by Lowmire Company, Ltd.

[REDACTED] Florida. Hotel records show that Mr. B. DALITZ of the Desert Inn, Las Vegas, stayed at the [REDACTED].

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[REDACTED]

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[REDACTED]

On February 10, 1966, DALITZ left the hotel [REDACTED]

[REDACTED]

**FEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET**

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

- | | | |
|---------------------------------|---|---------------------------------|
| <input type="checkbox"/> (b)(1) | <input type="checkbox"/> (b)(7)(A) | <input type="checkbox"/> (d)(5) |
| <input type="checkbox"/> (b)(2) | <input type="checkbox"/> (b)(7)(B) | <input type="checkbox"/> (j)(2) |
| <input type="checkbox"/> (b)(3) | <input checked="" type="checkbox"/> (b)(7)(C) | <input type="checkbox"/> (k)(1) |
| _____ | <input checked="" type="checkbox"/> (b)(7)(D) | <input type="checkbox"/> (k)(2) |
| _____ | <input type="checkbox"/> (b)(7)(E) | <input type="checkbox"/> (k)(3) |
| _____ | <input type="checkbox"/> (b)(7)(F) | <input type="checkbox"/> (k)(4) |
| <input type="checkbox"/> (b)(4) | <input type="checkbox"/> (b)(8) | <input type="checkbox"/> (k)(5) |
| <input type="checkbox"/> (b)(5) | <input type="checkbox"/> (b)(9) | <input type="checkbox"/> (k)(6) |
| <input type="checkbox"/> (b)(6) | | <input type="checkbox"/> (k)(7) |

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s): _____

- ☐ For your information: _____

☒ The following number is to be used for reference regarding these pages:

HQ 92-3068-450

XXXXXXXXXXXXXXXXXXXXX
X DELETED PAGE(S) X
X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXXX

LV 92-461

* b7C
b7D

[REDACTED]

[REDACTED]

Informant stated DALITZ has remained generally in the Las Vegas area.

[REDACTED]

[REDACTED]



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
April 13, 1966

Title MORRIS BARNEY DALITZ

Character ANTI-RACKETEERING

Reference Report of Special Agent [REDACTED]
[REDACTED], dated and captioned
as above.

b7c

All sources (except any listed below) whose identities are concealed in referenced communication have furnished reliable information in the past.



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada

April 13, 1966

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

b7C [REDACTED] Reference is made to report of Special Agent [REDACTED], dated and captioned as above.

Set forth below is a characterization of the informants utilized in referenced report.

b2
b7D [REDACTED]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 5/24/66	INVESTIGATIVE PERIOD 4/5/66 - 5/17/66
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY [REDACTED]	TYPED BY mf
		CHARACTER OF CASE AR	

REFERENCE:

Report of SA [REDACTED] 4/13/66, at Las Vegas.

- P -

ENCLOSURES: TO THE BUREAU (2)

Original and one copy of a letterhead memorandum characterizing informants utilized in instant report.

LEADS:THE SAN DIEGO DIVISIONAT SAN DIEGO, CALIFORNIA

Will identify [REDACTED] and conduct credit and criminal checks regarding this person. No interview being requested at this time.

APPROVED <i>[Signature]</i>	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: ④ - Bureau (92-3068) (Encls. 2) 2 - San Diego (92-38) 2 - Las Vegas (92-461)		92-3068-451	REC-9
COPIES DESTROYED 9 25 MAY 23 1972		MAY 26 1966	EX-114
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	CC: AAG Criminal Division,		
REQUEST RECD.	Organized Crime and Racketeering		
DATE FWD.	Section, Room 2524		
HOW FWD.			
BY			

1051d+d

42

LV 92-461

THE LAS VEGAS DIVISION

AT LAS VEGAS, NEVADA

Will follow and report activities of the subject.

INFORMANTS:

[REDACTED]

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b7D

[REDACTED]

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of: [REDACTED]

Date: 5/24/66

Office: Las Vegas, Nevada

Field Office File #:

92-461

Bureau File #: 92-3068

Title:

MORRIS BARNEY DALITZ

Character:

ANTI-RACKETEERING

Synopsis:

The subject was in New York City during 3/66; in Tokyo, Japan, during 4/66; and Hong Kong, China, in 5/66. Status of criminal proceedings for income tax evasion set out.

- P -

DETAILS:

[REDACTED] that the subject was in New York City, New York [REDACTED]

[REDACTED] that subject had returned to Las Vegas, Nevada, on March 22, 1966. [REDACTED]

LV 92-461

62
b7D
[REDACTED]
[REDACTED] DALITZ was
presently in Tokyo, Japan
[REDACTED] Sunday night
[REDACTED]
[REDACTED] that DALITZ was in
Tokyo, Japan
[REDACTED] that DALITZ was in
[REDACTED] China

STATUS OF CRIMINAL PROCEEDINGS

The records of the U. S. District Court, Las Vegas, reflect that on April 14, 1966, in the case entitled U. S. vs. MORRIS B. DALITZ, ELI BOYER, Docket number 1274, that the defendants appeared in court with their retained attorney, DAVID GOLDWATER, and were at liberty on their own recognizance, and they each entered a plea of not guilty to all three counts of the indictment. The court ordered that the matter was to be continued to May 2, 1966, for hearing on defendants' motion to dismiss. The defendants' own recognizance were approved and continued.

The records of the U. S. District Court also reflect in the case entitled U. S. vs. MORRIS B. DALITZ, ELI BOYER, Docket number 1263, that both defendants were present in the court on April 14, 1966, and the government entered a motion to dismiss this case, which was superseded by case number 1274. The court ordered this matter continued to May 2, 1966. The defendants' recognizance bonds were approved and continued.

The records of the U. S. District Court, Las Vegas, indicate that in the case entitled U. S. vs. MORRIS B. DALITZ, ELI BOYER, Docket number 1263 (avoiding income tax) that the indictment was dismissed in this case on motion made by Special Assistant United States Attorney MICHAEL DE FEO.



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada

May 24, 1966

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

b7C

Reference is made to report of Special Agent [REDACTED] dated and captioned as above.

Set forth below is a characterization of the informants utilized in referenced report.

b2
b7D

[REDACTED]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
May 24, 1966

Title

MORRIS BARNEY DALITZ

Character

ANTI-RACKETEERING

Reference

Report of Special Agent [REDACTED]
[REDACTED], dated and captioned
as above.

All sources (except any listed below) whose identities
are concealed in referenced communication have furnished reliable
information in the past.

UNITED STATES GOVERNMENT

Memorandum

TO : Thomas J. McAndrews
Federal Bureau of Investigation

DATE: November 10, 1966

LKB
FROM : L. K. Bailey
Departmental Attorney
Tax Division, Department of Justice

SUBJECT: MORRIS B. DALITZ
ORGANIZED CRIME AND RACKETEERING
CASES PENDING IN THE TAX DIVISION

This will acknowledge receipt of the following:

1. Four volumes of logs from the Desert Inn containing serials 1 through 727.

November 10, 1966

Lauren K. Bailey

b7C

*Returned by
for Bailey*

11/10/66

62



5010-106

Morris B. Dalitz 92-3068

ENCLOSURE

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

92-3068-452

48

UNITED STATES GOVERNMENT

Memorandum

TO : Thomas J. McAndrews
Federal Bureau of Investigation

DATE: January 31, 1967

FROM : Mr. Fred Folsom
Chief, Criminal Section
Tax Division
Department of Justice

SUBJECT:

DESERT INN HOTEL
LAS VEGAS, NEVADA

This will acknowledge receipt of the following airtels and logs concerning the Desert Inn:

1. Two volumes of airtels from the Desert Inn containing serials 1 - 94. Copies numbered "2x".

2. Four volumes of logs from the Desert Inn containing serials 1 - 727. Copies numbered "2x".

January 31, 1967

F. J. Folsom

1- 62-318
1- John Doe 92-4 843
1- David Smith 92-3068-45



ENCLOSURE

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

92-3068-452

49

The Attorney General

1 - Mr. DeLoach
1 - Mr. Wick
1 - Mr. Gale
1 - Mr. McAndrews
1 - Mr. P.J. Mohr

Director, FBI

MORRIS B. BALITZ
DESERT INN
STARDUST HOTEL AND CASINO
LAS VEGAS, NEVADA

LOS ANGELES, CALIFORNIA, AND
LAS VEGAS, NEVADA

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6/19/86 BY SP1 ag/def

Reference is made to the memorandum dated September 12, 1966, from Assistant Attorney General Mitchell Rogovin, Tax Division, in which he requested information concerning our microphone coverage at the Desert Inn, the Stardust Hotel, Morris B. Balitz and [REDACTED]. This information is required for meeting the defendants' contentions in a motion for a Bill of particulars, which is preliminary to a motion to suppress evidence in this case. The following information is being submitted in response to Mr. Rogovin's inquiries.

We never had any microphone coverage at [REDACTED] in Los Angeles, in his residence or at his business.

Microphone coverage was in effect at the Desert Inn from March 22, 1962, to August 15, 1963. This installation covered the activities of Morris B. Balitz [REDACTED]. This microphone was installed through [REDACTED] and was monitored in our Las Vegas Office.

The original logs and accompanying material, which contain the results of our coverage at the Desert Inn, were furnished to the United States District Court in Denver, Colorado, during the trial and hearings on the appeal in the Baby Xolod extortion case. A copy of this material will be made available for your review.

Information obtained from our confidential coverage at the Desert Inn Hotel appeared in the following reports. Copies of these reports have previously been furnished to the Department:

Tolson _____
DeLoach _____
Mohr _____
Wick _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

NOTE: See memorandum dated 9-14-66, same caption, PJM:Edm.

J.H.Gale to DeLoach

SEP 20 1966

51 SEP 21 1966

TELETYPE UNIT

UNREC COPY AND COPY OF RECORDS
SEP 16 1 43 PM '66
62-318

The Attorney General

Report of Special Agent [REDACTED] dated April 9, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED]. A copy of this report was furnished to the Internal Revenue Service on May 18, 1962.

Report of Special Agent [REDACTED] dated May 31, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated July 16, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated August 10, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated September 18, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated October 19, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated November 26, 1962, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

Report of Special Agent [REDACTED] dated January 18, 1963, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED].

The Attorney General

Report of Special Agent [REDACTED] dated April 3, 1963, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated June 19, 1963, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated August 14, 1963, at Las Vegas, captioned "Morris Barney Balitz." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated September 21, 1962, at Las Vegas, captioned "Desert Inn Hotel." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated December 3, 1962, at Las Vegas, captioned "Desert Inn Hotel." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated March 4, 1963, at Las Vegas, captioned "Desert Inn Hotel." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated June 5, 1963, at Las Vegas, captioned "Desert Inn Hotel." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Microphone coverage was in effect at the Stardust Hotel from June 27, 1963, to August 15, 1963. This microphone was installed through trepanns and was monitored in our Las Vegas office.

The logs containing the results of our coverage at the Stardust Hotel have previously been furnished to the Department for use in connection with the John Drew tax case.

The Attorney General

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Information obtained from our confidential coverage at the Desert Inn also appears in the following reports:

Report of Special Agent [REDACTED] dated December 20, 1963, at Las Vegas, captioned "Stardust Motel, aka, Karat, Inc." The information obtained from our confidential coverage appears in this report under the [REDACTED]

Report of Special Agent [REDACTED] dated April 10, 1963, at Las Vegas, captioned "Stardust Motel, aka, Karat, Inc." The information obtained from our confidential coverage appears in this report under the [REDACTED]

In September, 1965, when Edward Bennett Williams indicated that the case against Balitz was based on a technical surveillance by the FBI, this matter was checked by your office with Mr. Hundley of the Organized Crime and Racketeering Section of the Department who assured this was absolutely false. Mr. Hundley was aware of the fact that this case against Balitz and Meyer was developed by Internal Revenue Service agents checking bank accounts and records of the defendants.

As you are aware, Departmental attorneys were thoroughly conversant with our microphone coverage at the Desert Inn as early as March of 1965, when a review of this coverage was undertaken in connection with the trial of Ruby Kolod in Denver, Colorado. This Departmental review was conducted prior to the indictment of Balitz and Meyer in the tax matter.

The material to be reviewed is highly sensitive in nature and personnel assigned to review this material should be alerted to its highly confidential nature and the necessity to restrict dissemination of information contained therein. All available security safeguards should be afforded it when not actually being used by the designated Departmental attorneys.

- 1 - The Deputy Attorney General
- 1 - Mr. Fred M. Vinson, Jr.
Assistant Attorney General
- 1 - Mr. Mitchell Rogovin
Assistant Attorney General

SENT BY	3-3-77
TIME	9/16/66
DATE	
BY	

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 10/4/66	INVESTIGATIVE PERIOD 5/17/66 - 9/28/66
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY SA [REDACTED]	TYPED BY SW
		CHARACTER OF CASE AR b7c	

REFERENCE:

Report of SA [REDACTED] 5/24/66, at Las Vegas.

- P -

ENCLOSURES: TO THE BUREAU (2)

Original and one copy of a letterhead memorandum characterizing informants utilized in instant report.

LEADS:LAS VEGAS DIVISIONAT LAS VEGAS, NEVADA

Will follow and report activities of subject.

Case has been: Pending one year ☒ Yes ☐ No; Pending prosecution over six months ☐ Yes ☒ No

APPROVED

SPECIAL AGENT
IN CHARGE

COPIES MADE:

- ④ - Bureau (92-3068) (Encls. 2)
2 - Las Vegas (92-461)

COPIES DESTROYED
9 25 MAY 23 1972

DO NOT WRITE IN SPACES BELOW

12-1118-453
18 OCT 10 1966

REG-14

EX 101

Dissemination Record of Attached Report

Agency	CC. AAG, Criminal Division,
Request Recd.	
Date Fwd.	Organized Crime and Racketeering
How Fwd.	
Section, Room	2524

Notations

61 OCT 28 1966

1dtd

LV 92-461

ADMINISTRATIVE:

Investigative period extended over 45 days; however, case has been kept in current pending status through interoffice communications.

INFORMANTS:

[REDACTED]

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

b7C

Report of: SA [REDACTED] Office: LAS VEGAS
Date: 10/4/66
Field Office File #: LV 92-461 Bureau File #: 92-3068
Title: MORRIS BARNEY DALITZ

Character: ANTI-RACKETEERING

Synopsis: Subject in France during May, 1966 and in
England during September, 1966. Other travels
set out. Status of criminal proceedings against subject
set out. [REDACTED]

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b7D

- P -

DETAILS:A. Travels

b2
b7C
b7D

[REDACTED] that subject had departed the Desert Inn
Hotel on May 27, 1966.

[REDACTED] that DALITZ was now back at the Desert Inn Hotel.
[REDACTED] that DALITZ had left the Desert
Inn Hotel on July 10, 1966.

[REDACTED] that DALITZ
was in the Desert Inn Hotel on July 26, 1966.

B. Contacts

b2
b7c
b7D
[REDACTED]

C. Criminal Proceedings

The "Las Vegas Sun" issue of June 7, 1966 contains the following article captioned, "Tax Trial Dismissal Case of Dalitz Aired".

"Federal Dist. Judge Roger D. Foley Jr. took under consideration yesterday a motion to dismiss conspiracy and tax evasion charges the Internal Revenue Service has brought against Desert Inn executive Morris (Moe) B. Dalitz.

"Dalitz' Los Angeles attorney, Bruce I. Hochman, argued long for dismissal of the charges contained in a December, 1965 federal grand jury indictment that Dalitz had committed any act of conspiracy or evaded income tax on his 1959 return relating to a stock transaction.

"According to the government, Dalitz assertedly reported he had purchased stock in the Turbo-Dynamics Corp. in October, 1958 and reported on his 1959 return it was sold as a long-term gain at a profit of approximately \$10,000. This, they say, is not true, as the date of stock transaction was later than the October date and, therefore, the deal should have been reported as short-term and subject to ordinary income.

"Asst. U.S. Atty. John C. Keeney said in court yesterday, this act was one of conspiracy as well as one of tax evasion and concealment which are also contained in the three-count indictment.

"Neither of the two defendants in the case, Dalitz, and his Los Angeles tax accountant, Eli Boyer were in court. They had formerly been excused from appearing on

LV 92-461

a motion granted April 14. Their case was first put before the federal court in southern California, but Dalitz' attorneys, Hochman and David Goldwater, obtained a change of venue as Dalitz is a resident of Nevada.

"Judge Foley gave no indication when he would pass on the motion."

The "Las Vegas Sun" issue of June 10, 1966 contained the following article captioned, "Tax Evasion Charge Wont't Be Dropped".

"A move to dismiss charges of income tax evasion against Morris "Moe" Dalitz was denied by U. S. District Judge Roger D. Foley here this week.

"It was the second such motion denied to the veteran Las Vegas casino and hotelman, a key figure in operations of the Stardust and Desert Inn hotels.

"Dalitz and his chief accountant, Eli Boyer, of Los Angeles, were named co-defendants in evading and conspiring to evade taxes on 5,000 shares of Turbo Dynamic Corporation stock bought in 1958 and subsequently sold.

"The indictment accused Dalitz and Boyer of conspiring to obtain a special tax reduction by making fraudulent claims on long term capital gains on the stock sale. The government charged the defendants were entitled only to short term gains but took capital gains in violation of the law.

"Dalitz was held to answer by a Federal Grand Jury in Los Angeles. Trial will be had in Las Vegas but a court date has not been set.

"Dalitz, 65, is formerly from Cleveland and was one of the original founders of the Desert Inn with Wilbur Clark."

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The records of the United States District Court, Las Vegas, Nevada, indicate the following action in the case United States versus MORRIS B. DALITZ, ELI BOYER, No. 1274, before ROGER D. FOLEY, United States District Judge June 6, 1966. The defendants were not present in court but represented by BRUCE HOCHMAN of Los Angeles, California, J. A. DONNELLY of San Diego, California, and DAVID GOLDWATER of Las Vegas, Nevada. A hearing was held on defendant's motion to dismiss indictment. Arguments were heard and the case taken under submission. Special Assistant to the United States Attorney, MICHAEL DE FEO and JOHN KEENEY, U. S. Department of Justice, represented the Government.

On June 8, 1966, the records of the United States District Court, Las Vegas, Nevada, in the case entitled United States versus MORRIS B. DALITZ, ELI BOYER, No. 1274, indicated that the court ordered that the defendant's motion to dismiss was denied.

The "Las Vegas Review Journal" issue of June 10, 1966 contains an article captioned, "Judge Denies Dalitz Plea."

"Judge Roger D. Foley Jr. has denied Morris B. (Moe) Dalitz's plea for a dismissal of a federal grand jury indictment accusing him of income tax evasion.

"The Judge ruled late Wednesday after taking the plea under advisement at the end of a hearing Monday. He did not elaborate with any opinion.

"Dalitz, 66, president of the operating companies of the Desert Inn and Stardust hotels, and associate Eli Boyer, 46, of Los Angeles have pleaded innocent to the indictment.

"A trial date probably will be set in the near future.

"Returned her Dec. 16, the indictment accuses the two men of a conspiracy to evade payment on approximately \$15,000 profit on a stock purchase and sale in 1958 and 1959."

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The records of the United States District Court, Las Vegas, Nevada, as reviewed on September 19, 1966 in the case entitled United States versus MORRIS B. DALITZ, ELI BOYER, No. 1274, indicates that the defendants were not present on this date; however, attorneys DAVID GOLDWATER, BRUCE HOCHMAN, and J. DONNELLY were present for the defendants. The court ordered that a hearing on defendants' motion for a bill of particulars was to be continued until 1:30 PM on September 28, 1966.

The "Las Vegas Sun" issue of August 12, 1966 contains a photograph of the subject and identifying caption stating that "Desert Inn executive Moe Dalitz arrives at Gaming Commission office here to testify as skimming probe continues. Many other hotel executives also have been invited to appear before the state body."

D. Business Ventures

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b7C
b7D

[REDACTED]

[REDACTED]

The Los Angeles Division furnished the following information by communication dated September 27, 1966:

On August 31, 1966 Investigative Clerk [REDACTED]

[REDACTED] the Seven Seas Restaurant, and the following pertinent information was found:

67C
67D

[REDACTED]

ADEL NASRALLAH (ED NASH) and ROBERT L. BROOKS are partners and principals active in the Seven Seas Restaurant, 6904 Hollywood Boulevard (Hollywood), Los Angeles, California. This establishment was described as a restaurant and bar having a liquor license in the name of a partnership and employing five persons.

NASRALLAH aka Ed Nash [REDACTED]

[REDACTED] From 1932 to 1955 he was a partner with his brother operating the State Cafe Restaurant in Milwaukee, Wisconsin. In 1955 NASRALLAH purchased Ehik's Restaurant with capital from savings and his share of partnership which had been discontinued. He later purchased the Esquire Restaurant and had a \$15,000 interest in Diamond Supermarket, Milwaukee, but was not a formal partner. He also reportedly owns real estate in Milwaukee, Wisconsin, valued in excess of \$40,000 and encumbered less than \$20,000. He maintained a prompt payment record and clear business record in Milwaukee. He moved to Los Angeles in 1960 and became active in the restaurant field. For a time he owned the Beach Chuck Restaurant, Los Angeles, which was sold to his brother. He was also sole owner of the Seven Seas Restaurant until a partnership was formed.

ROBERT L. BROOKS [REDACTED]

[REDACTED] He formerly owned a restaurant and bar on Santa Monica Boulevard in Los Angeles. In October, 1938, he purchased the Seven Seas Cafe for \$4,000--\$2,000 cash and the balance in monthly payments. During the period 1938 to 1948 he was sole owner of the following:

Vagabond Isle Cafe, Summerset House, Baltimore Hotel Corporation, Las Vegas, Nevada; Westchester Hotel Apartments; and Bradley 5 and 10¢ Store, Los Angeles. In February, 1954, he sold for a reported consideration of \$500,000.

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BROOKS was sole owner of the Seven Seas Cafe until October, 1951, when he sold to NASRALLAH.

In January, 1951, BROOKS was indicted for federal income tax evasion by the Federal Grand Jury on charges of evading total taxes of \$21,215. That was for 1945 when BROOKS allegedly understated income from operations of the Seven Seas Cafe. On January 29, 1951, he pleaded not guilty and on October 26, 1951 a verdict of guilty by jury was rendered on both counts. On January 14, 1952 BROOKS was sentenced to two years probation and fined \$5,000. The fine was paid off in 1957 at the rate of \$1,000 monthly. On September 28, 1951 BROOKS appeared at the same address filing notice of sale to J. C. BROOKS covering general license. During the period 1952 to 1953 he operated the Chianti Restaurant, Las Vegas, Nevada. As of April 4, 1954, the Seven Seas Cafe was acquired by the Amrose Corporation. On November 5, 1954 BROOKS filed suit against THOMAS P. AMROSE and the AMROSE Corporation for \$18,649 and the appointing of a receiver. On November 1, 1954 a receiver was appointed and the receivership terminated on November 30, 1954. On December 9, 1954 a demurer was filed and all property returned to the defendant. During February, 1955, a suit was reinstated by ROY B. ALLEN, appointed as receiver. This business operated under receivership until November, 1955, when it reverted to BROOKS, who then operated the business until selling to NASRALLAH.

NASRALLAH is also a principal in Fi's Enterprises which recently acquired a restaurant in Los Angeles doing business as The Bard.

67C

[REDACTED]

State of California Alcohol Beverages Control Board, 320 North Vermont Avenue, Los Angeles, California, made available the following information relative to BROOKS:

The liquor license at the Seven Seas Restaurant, 6904 Hollywood Boulevard, was transferred from ROBERT BROOKS to ADEL NASRALLAH on August 4, 1961. As of July 26, 1961 BROOKS resided at 1651 Hazlam Terrace, Los Angeles 46, California.

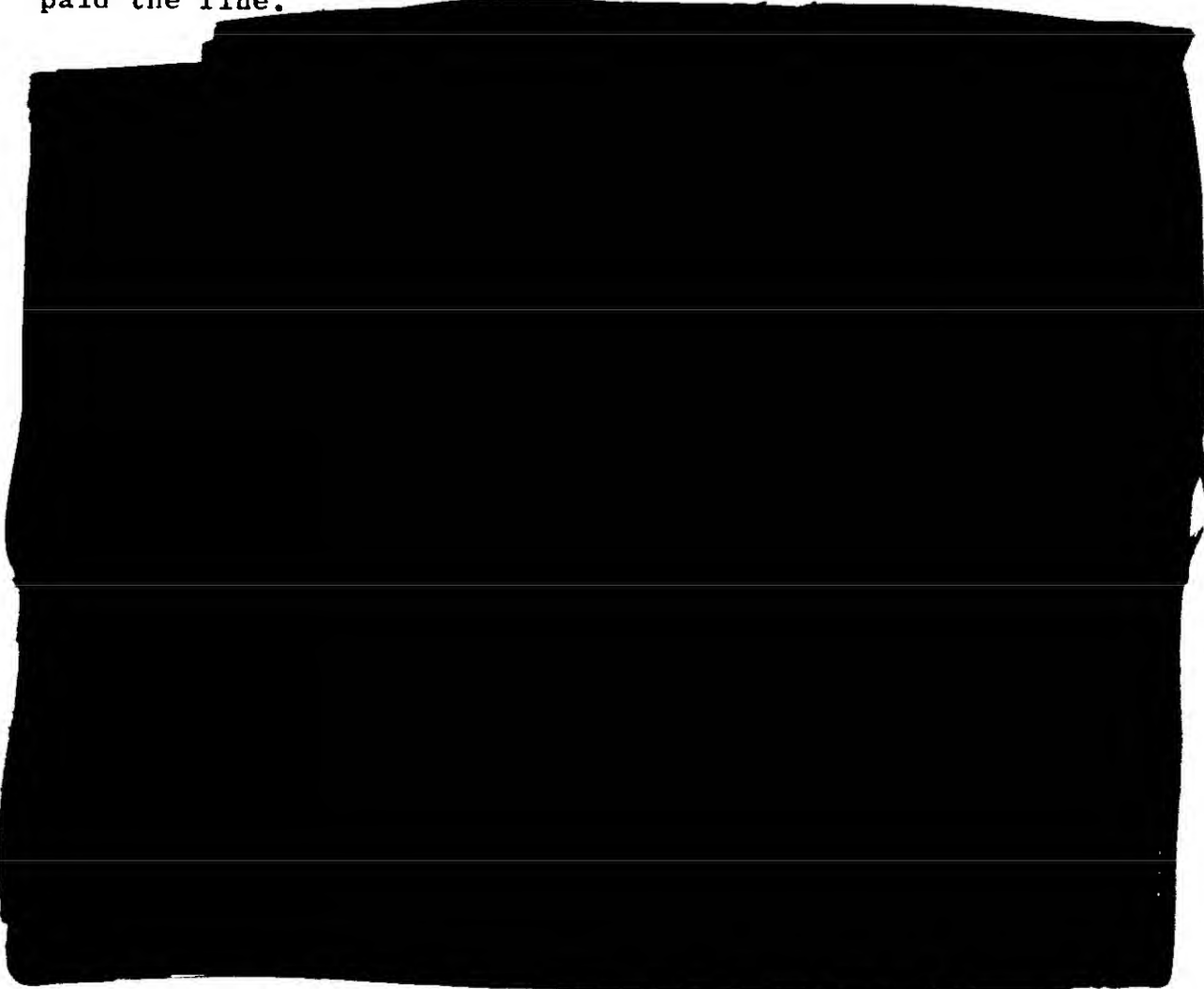
In an affidavit in support of Application for Alcoholic Beverage License dated October 23, 1963, the following was noted:

LV 92-461

B. L. Brooks

ROBERT L. ~~X~~BROOKS, 1651 Haglam Terrace, Los Angeles, *CALIF*
telephone OL 2-0243, was described as being 52 years of age,
born January 22, 1911, Macon, Georgia, 6', 180 pounds,
gray hair, brown eyes, California driver's license Z 656406, *NEVAD*
U. S. Passport No. 1734769 dated July 28, 1959. BROOKS
indicated that from 1962 to the date of this application he
was vice president and treasurer of the Nichodell-Argle
Restaurant, Inc., 1600 North Argyle, Hollywood, California.
From 1938 to 1961 he had been sole owner of Seven Seas
Restaurant, 6904 Hollywood Boulevard. He indicated that
he had been arrested in Los Angeles in 1933, no charge
filed, and again in 1951 on a tax case, and that he had
paid the fine.

b7C



LV 92-461

[REDACTED]

[REDACTED]

[REDACTED]

E. Miscellaneous

At which time, informant advised that he had received information that MORRIS BARNEY DALITZ had returned to Las Vegas on or about May 22, 1966.

[REDACTED]

LV 92-461

[REDACTED]

Informant stated that they traveled to London, England, and then returned to the United States.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

670

b7C
b7D [REDACTED]

The San Diego Office by communication dated July 14, 1966 furnished the following information:

The following investigation was conducted by Investigative Clerk [REDACTED]

b7C
AT SAN DIEGO, CALIFORNIA

On June 14, 1966, the records of the following agencies were checked, but no record could be located identifiable with [REDACTED] California:

Merchants Credit Association of San Diego

San Diego Police Department

San Diego County Sheriff's Office

b2
b7C
b7D [REDACTED]

b7C [REDACTED]



In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
October 4, 1966

MORRIS BARNEY DALITZ
ANTI-RACKETEERING

67C

Reference is made to report of Special Agent [REDACTED], dated and captioned as above.

Set forth below is a characterization of the informants utilized in referenced report.

62
67D

[REDACTED]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI

Date: 9/29/66

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL AIRMAIL
(Priority)

TO: DIRECTOR, FBI

FROM: SAC, LAS VEGAS (92-461)

MORRIS BARNEY DALITZ, aka
AR

Departmental Attorney MICHAEL DE FEO telephonically contacted me 9/28/66, and advised that Judge ROGER T. FOLEY had ordered the government to answer certain questions in connection with the income tax case of MORRIS BARNEY DALITZ within 30 days from 9/28/66. These questions were proposed by the attorneys for the defendants and are identical to the questions raised by the Supreme Court requiring answers by the government in the FRED BLACK case in Washington, D.C.

Mr. DE FEO stated that other questions pertaining to the income tax case were also raised.

Mr. DE FEO stated that it appeared to him that the Judge had made up his mind before they appeared before him inasmuch as the Judge would not permit him to argue the matter before him.

Mr. DE FEO stated the defendants have 30 days after the government answers the questions to file any motion to suppress.

On 9/29/66, Mr. DE FEO sent to me copies of the questions ordered by the Judge to be answered by the federal government, two copies of which are being enclosed for the information of the Bureau.

The Bureau will be kept advised.

3 - Bureau (Enc. - 2) (RM)
1 - Las Vegas

DWE:jp
(4)

ENCLOSURE ATTACHED

C C WICK

Approved: *[Signature]*Sent *[Signature]*M Per *[Signature]*

79 OCT 24 1966 Special Agent in Charge

✓(xvii) What amount of income tax would be and was omitted from the 1958 Federal income tax return of defendant, MORRIS B. DALITZ, as a result of the alleged conspiracy?

✓(xviii) What was the value of the five thousand shares of Turbo Dynamics Corporation stock which were the subject of the alleged conspiracy, on:

(a) October 1, 1958;

(b) December 16, 1958;

(c) April 17, 1959?

(xix) What persons directly aided in representing that MORRIS B. DALITZ acquired the Turbo Dynamics Corporation stock on October 1, 1958?

(xx) List all persons present at any meetings where- in the agreement in violation of 26 U.S.C. 7201 was reached.

✓(xxi) Is the Department of Justice, or any office or officer thereof, aware of any electronic eavesdropping by any Government Agent from January 1, 1958, to the present date, taking place at:

(a) The residence of ELI BOYER;

(b) The Los Angeles or Las Vegas offices of the accounting firm of Zeman, Teller, Boyer and Goldberg;

(c) The residence of MORRIS B. DALITZ; or

(d) Wilbur Clark's Desert Inn?

✓(xxii) If the answer to the preceding question, or any part thereof, is in the affirmative, what kind of electronic eavesdropping device was used, and by what Government Agency?

✓(xxiii) If the answer to question xxii is in the affirmative, state the dates during which electronic eavesdropping devices were in use in each place, to the present date.

✓(xxiv) If electronic eavesdropping devices were in use as stated in response to the above questions, and such use has been terminated, by whose order was the eavesdropping terminated?

✓ (xxxv) What person or persons authorized the use of such electronic eavesdropping devices?

✓ (xxxvi) What Statute or Executive Order was relied upon in authorizing the use of electronic eavesdropping devices?

✓ (xxxvii) What is the date, or dates, of the installation of any electronic eavesdropping device referred to above?

✓ (xxxviii) Does a recording, or transcription thereof, of any conversation overheard through the use of electronic eavesdropping devices now exist? If so, in whose possession is said recording or transcription?

✓ (xxxix) Who participated in the obtaining and perpetration of the information obtained by use of the electronic devices?

✓ (xl) When did the information concerning the use of electronic eavesdropping devices at those places listed in answer to question xxxi first come into the hands of any Government lawyer? List the names of those lawyers who have had possession, or are now in possession of such information.

✓ (xli) What use was made of information obtained through the use of electronic eavesdropping devices in this case?

WHEREFORE, it is prayed that this motion be granted.

DATED: June 29, 1966.

Respectfully submitted,

DAVID GOLDWATER, J. A. SCHMELLEY
and BRUCE I. NOCHMAN

By DAVID GOLDWATER
DAVID GOLDWATER

By BRUCE I. NOCHMAN
BRUCE I. NOCHMAN
Attorneys for Morris S. Delitz

DAVID GOLDWATER and BRUCE I. NOCHMAN

By DAVID GOLDWATER
DAVID GOLDWATER

By BRUCE I. NOCHMAN
BRUCE I. NOCHMAN
Attorneys for Eli Boyer

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. DeLoach

DATE: November 9, 1966

FROM : J. H. Gale

SUBJECT: MORRIS B. DALITZ
DESERT INN
STARDUST HOTEL AND CASINO
LAS VEGAS, NEVADA

ELI BOYER
LOS ANGELES, CALIFORNIA, AND
LAS VEGAS, NEVADA

Tolson
DeLoach
Mohr
Casper
Callahan
Conrad
Felt
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

Departmental Attorney L. K. Bailey, hand carried to Mr. McAndrews' Office in the Special Investigative Division a copy of a proposed memorandum prepared in response to an order of the court, supplying defendants certain particulars requested in defendants' motion, for our review. No formal communication accompanied this memorandum. This is a tax case in which Dalitz and Boyer have been charged with filing a false income tax return.

* U.S. DISTRICT COURT * NEVADA

Among those particulars to be furnished to the defendants' counsel are ten additional overt acts, not stated in the original indictment, together with eight separate particulars concerning strictly tax questions.

Of pertinence to the Bureau are particulars pertaining to electronic eavesdropping. These particulars relate to the microphone within the executive offices of the Desert Inn, date of installation of this microphone; the length of its operation; the approval by the Director with Departmental authorization for its installation; that its operation was terminated on orders of the local FBI Office in Las Vegas; that no specific statute or Executive Order was relied upon in the installation of this microphone. The Department states that "under 5 U.S.C. 300, the Attorney General has the authority to appoint officials for the detection and prosecution of crimes against the United States."

Enc. 11-93-109
1 - Mr. DeLoach
1 - Mr. Wick
1 - Mr. Gale
1 - Mr. McAndrews
1 - [REDACTED]

MER:jaj:msh
(6)
51 NOV 18 1966

REC-60

92-3064-455

12 NOV 10 1966

CONTINUED - OVER

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 6-19-84 BY [signature]

Memorandum to Mr. DeLoach
Re: Morris B. Dalitz; Eli Boyer

The court has asked the same question as the Supreme Court did in the Black case and the Department is using the same answer regarding the Bureau's general authorization. We do not subscribe to this version and have recommended that as in the Black case that the actual documents showing departmental authorization of use of microphones be filed with the Supreme Court in answer to this question.

In the Black case we steadfastly maintained that the documents proving that authority for microphone coverage came from the Department and the Attorney General, should be filed with the Supreme Court. The Department did not do this. We are urging in the attached letter to the Department that the same position that we adopted in the Black case be followed in this manner, namely that the Evans to Belmont memorandum dated July 7, 1961, wherein the Attorney General recommended electronic surveillance; the August 17, 1961, memorandum signed by Kennedy authorizing us to utilize leased lines for microphone coverage in organized crime matters; the Bureau letter to Byron White dated May 4, 1961, which spelled out our microphone policy; and the Herbert J. Miller, Jr., letter to Senator Sam Ervin, Jr., dated May 25, 1961, showing Department knowledge of our microphones, all should be filed with the court. In this recommendation, we are therefore consistent with the position which we took in the Black case.

The Department further sets out the manner in which conversations were monitored by Bureau personnel and subsequently placed on record. The names (23) of all Bureau personnel who participated in the obtaining and preparation of this information are set forth. One clerk has since resigned.

The court has requested information concerning the date and identity as to when Department personnel became cognizant of the source in the Desert Inn. The Department has not as yet worked out their proposed response but will submit to Bureau for approval at a later date.

Memorandum to Mr. DeLoach
Re: Morris B. Dalitz; Eli Boyer

ACTION:

Analysis of the Department's proposed response indicates that it is correct as to those answers pertaining to the mechanics of the installation. As noted, the Department's answer concerning the authorization coincides with that submitted in the Black case and to which we take exception. It is requested that the attached letter, which takes note of our exception to the answer regarding authorization, be approved and forwarded to the Department. This letter will further advise that the Department's answers are factually correct as they pertain to other matters concerning the Bureau's microphone coverage.

[Handwritten signature]
GX
AK

[Handwritten signature]

[Handwritten signature]
✓
MUR
HDS
SS

Acting Attorney General

November 9, 1966

Director, FBI

- 1 - Mr. DeLoach
- 1 - Mr. Wick
- 1 - Mr. Gale
- 1 - Mr. McAndrews

ROBERT E. DALY
DEPUTY FBI
STANFORD HOTEL AND CASINO
LAS VEGAS, NEVADA

*Morris Borky
DeLoach*

ELI BOYER
LOS ANGELES, CALIFORNIA, AND
LAS VEGAS, NEVADA

This is to acknowledge receipt of a memorandum from Departmental Attorney L. E. Bailey of the Tax Division, prepared in response to an order of the court supplying defendants certain particulars requested in defendants' motion.

This memorandum has been reviewed, and the answers set forth are factually correct as they pertain to the mechanics of the Bureau's microphone installation.

I must take exception to your response concerning the authority for use of microphone surveillances. I strongly urge that copies of the memoranda relative to the usage of microphones be attached as exhibits to the memorandum to be filed before the court. These include the memorandum of former Assistant Director Courtney A. Evans dated July 7, 1961; the memorandum dated August 17, 1961, signed by former Attorney General Robert Kennedy authorizing the use of leased lines for microphones; the memorandum from the Bureau to former Deputy Attorney General Byron R. White dated May 4, 1961; and the letter from former Assistant Attorney General Herbert J. Miller, Jr., to Senator Sam J. Ervin, Jr., dated May 25, 1961, copies of which are attached.

MAILED 3
NOV 9 - 1966
COMM-FBI

Loach
Mohr
Wick
Tele. Room
Holloman
Gandy

NOTE: See memo H. Gale to DeLoach, same caption, 11/9/66.
JAJ:skh

ENCLOSURE
(11)

NOV 18 1966

MAIL ROOM ☐ TELETYPE UNIT ☐

REC 32 92-3068-456

NOV 15 1966

157-15

NOV 9 13 27 PM '66
COPY FILED IN

The Acting Attorney General

I believe the inclusion of the above exhibits as attachments to the memorandum to be filed will give an accurate picture of the authorization insofar as the FBI's usage of microphones is concerned.

Enc. (5)

1 - The Deputy Attorney General - Enc. (5)

**1 - Mr. Fred M. Vinson, Jr. - Enc. (5)
Assistant Attorney General**

**1 - Mr. Mitchell Magevin - Enc. (5)
Assistant Attorney General**

Joe Henry

(SPACE BELOW FOR FILING STAMP ONLY)

LAW OFFICES OF
HOCHMAN AND SALKIN
FOURTH FLOOR, FINCHLEY BANK BUILDING
3570 WILSON BOULEVARD
BEVERLY HILLS, CALIFORNIA
WEAVER 2-1811 CANTYEN 2-1181

FILED

JUL 1 - 1966

Attorneys for Defendants, Morris B.
Dalitz and Eli Boyer

OLIVER F. PRATT, CLERK
BY _____ DEPUTY

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

UNITED STATES OF AMERICA,
Plaintiff,
v.
MORRIS B. DALITZ and
ELI BOYER,
Defendants.

No. 1274

NOTICE OF MOTION FOR
BILL OF PARTICULARS

TO: UNITED STATES OF AMERICA AND ITS COUNSEL, MICHAEL DEFEO,
ASSISTANT UNITED STATES ATTORNEY:

YOU, AND EACH OF YOU, PLEASE TAKE NOTICE that on July 11,
1966, at 10:00 A.M., or as soon thereafter as the Court's calendar
permits, before the Honorable Roger D. Foley, Judge, United States
District Court, defendants, MORRIS B. DALITZ and ELI BOYER, will
move this Honorable Court to direct that plaintiff furnish
defendants with a bill of particulars.

DATED: June 29, 1966.

DAVID GOLDWATER, J.A. DONNELLEY and
BRUCE I. HOCHMAN

By David Goldwater
DAVID GOLDWATER

By Bruce I. Hochman
BRUCE I. HOCHMAN
Attorneys for Morris B. Dalitz

DAVID GOLDWATER and BRUCE I. HOCHMAN

By David Goldwater
DAVID GOLDWATER

By Bruce I. Hochman
BRUCE I. HOCHMAN
Attorneys for Eli Boyer

On June 19th

Under seal

SPACE BELOW FOR FILING STAMP ONLY

LAW OFFICES OF
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FOURTH FLOOR, PARKWAY EAST BUILDING
9870 WILSHIRE BOULEVARD
BEVERLY HILLS, CALIFORNIA
TELEPHONE 8-1811 CABLEVIEW 8-1181

Attorneys for Defendants, Morris B.
Dalitz and Eli Boyer

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
MORRIS B. DALITZ and)
ELI BOYER,)
)
Defendants.)

No. 1274

MOTION FOR BILL
OF PARTICULARS

COME NOW, the defendants, MORRIS B. DALITZ and ELI BOYER, through their counsel, DAVID GOLDWATER, J. A. DONNELLEY and BRUCE I. HOCHMAN, and move this Court to request of the plaintiff a bill of particulars.

IN SUPPORT THEREOF, the defendants submit:

(1) That on October 13, 1965, an indictment was filed against the above-named defendants in the United States District Court for the Southern District of California, Central Division. Upon application of defendants, and by order of the Honorable E. Avery Cravy, United States District Judge, said case was transferred to the United States District Court for the District of Nevada.

(2) That the aforementioned indictment was subsequently dismissed by the Government; the above-named defendants were reindicted under an indictment filed on December 16, 1965, which indictment had previously been returned by the Grand Jury.

(3) That the indictment charges the defendants with

1 conspiracy to commit an offense or to defraud the United States
2 under 18 U.S.C. 371, and more specifically, conspiracy to violate
3 26 U.S.C. 7201, and with violations under 26 U.S.C. 7206(1) and
4 26 U.S.C. 7206(2), i.e., the making of false statements.

5 (4) That the indictment does not adequately advise the
6 defendants of the basic elements of the alleged conspiracy, i.e.,
7 the content and scope of the agreement or scheme, criminal goals of
8 that scheme, and means of carrying out the scheme. Particulars are
9 needed on these elements of the alleged crime so that the defendants
10 may adequately prepare a defense to this indictment.

11 (5) That counsel for defendants have information which leads
12 them to believe that there may be grounds for suppression of
13 evidence based upon wire-tapping activities conducted by Government
14 agents, the fruits of which may be used as evidence in this case.
15 Counsel for defendants have little direct knowledge on this point,
16 and therefore seek to ask preliminary questions which they deem to
17 be proper in light of the recent Supreme Court order in the case of
18 United States v. Fred B. Black, Jr. Further comment on this point
19 is contained in the attached Memorandum of Law. Counsel suggest
20 that these preliminary questions are proper in that they do not wish
21 to bring a motion to suppress unless it is clearly established that
22 there was improper conduct by Government agents which may have led
23 to the discovery of evidence which will be offered during the trial
24 of this case.

25 (6) By reason of the foregoing, the defendants move this
26 Court for a bill of particulars pursuant to Rule 7(f) of the Federal
27 Rules of Criminal Procedure, with respect to the following:

28 (i) What was the actual scheme or agreement, listing
29 all of its elements, which is the subject of this indictment? *defendants*

30 (ii) What was the specific object of the conspiracy
31 which is the subject of this indictment? *wire*

32 (iii) What means were agreed upon at the time of

1 entering into the conspiracy to accomplish the object of the
2 conspiracy? *not full*
3 (iv) On what date was the alleged conspiracy entered
4 into? *not full*
5 (v) What overt acts were performed in furtherance of
6 the conspiracy, other than those stated in the indictment? *Unknown*
7 (vi) Where and when were those acts performed? *see Kles, 2nd*
8 (vii) Were there any co-conspirators other than *unknown*
9 MORRIS B. DALITZ and ELI BOYER? If so, what are their names?
10 (viii) At the time the alleged conspiracy was entered
11 into, was a date selected for the sale of the five thousand shares
12 of Turbo Dynamics Corporation stock? If so, what date was selected?
13 By whom?
14 (ix) At the time the alleged conspiracy was entered
15 into, was a price selected at which the five thousand shares of *unknown*
16 Turbo Dynamics Corporation stock would be sold? If so, what price
17 was selected? By whom? *from 6-2-62*
18 (x) From whom did MR. DALITZ acquire the five
19 thousand shares of Turbo Dynamics Corporation stock? *1/2/62*
20 (xi) Who negotiated on behalf of the transferor, for
21 the acquisition of the Turbo Dynamics Corporation stock by MR.
22 DALITZ? *H. Kles*
23 (xii) Who negotiated on behalf of the transferee for
24 the acquisition of the Turbo Dynamics Corporation stock by MR.
25 DALITZ? *Boyer*
26 (xiii) What was the consideration, in a legal sense,
27 for the transfer of the Turbo Dynamics Corporation stock to MR.
28 DALITZ? *not full as in indictment*
29 (xiv) What personal services, if any, were performed
30 by MORRIS B. DALITZ as consideration for the receipt of Turbo
31 Dynamics Corporation stock? *not full as in indictment*
32 (xv) With reference to the preceding question, when

1 were said personal services requested, and by whom? *asked by Hoff*

2 (xvi) Referring to the preceding two questions, when

3 were said personal services performed, and where? *at the home of the defendant*

4 (xvii) Referring to the preceding three questions,

5 what knowledge did ELI BOYER have of the information contained in

6 answer to said preceding three questions? *obviously he knew*

7 (xviii) What acts were performed by ELI BOYER for the

8 purpose of aiding in the acquisition of the Turbo Dynamics

9 Corporation stock? *negotiated with Hoff & others*

10 (xix) What acts were performed by ELI BOYER for the

11 purpose of aiding in the disposal of the Turbo Dynamics Corporation

12 stock? *?*

13 (xx) Was taxable income required to be reported on

14 the acquisition of the five thousand shares of Turbo Dynamics

15 Corporation stock, i.e., in 1958? If so, how much? *less*

16 (xxi) To whom were the shares of Turbo Dynamics

17 Corporation stock sold on or about April 17, 1959? *Donalson*

18 (xxii) What was the tax basis of the five thousand

19 shares of Turbo Dynamics Corporation stock sold on or about April 17,

20 1959? *1000*

21 (xxiii) How was the tax basis referred to in the

22 preceding question computed, i.e., based upon what Internal Revenue

23 Code Section and theory? *Legal question*

24 (xxiv) What amount of taxable income would be and was

25 omitted from the 1959 Federal income tax return of defendant, MORRIS

26 B. DALITZ, as a result of the alleged conspiracy? *omitted*

27 (xxv) What amount of income tax would be and was

28 omitted from the 1959 Federal income tax return of defendant, MORRIS

29 B. DALITZ, as a result of the alleged conspiracy? *omitted*

30 (xxvi) What amount of taxable income would be and was

31 omitted from the 1958 Federal income tax return of defendant, MORRIS

32 B. DALITZ, as a result of the alleged conspiracy? *omitted*

1 (xxvii) What amount of income tax would be and was
2 omitted from the 1958 Federal income tax return of defendant, MORRIS
3 B. DALITZ, as a result of the alleged conspiracy? *Immature*

4 (xxviii) What was the value of the five thousand
5 shares of Turbo Dynamics Corporation stock which were the subject
6 of the alleged conspiracy, on:

7 (a) October 1, 1958; *Immature*

8 (b) December 16, 1958;

9 (c) April 17, 1959?

10 (xxix) What persons directly aided in representing
11 that MORRIS B. DALITZ acquired the Turbo Dynamics Corporation stock
12 on October 1, 1958? *See Boyer*

13 (xxx) List all persons present at any meetings where-
14 in the agreement in violation of 26 U.S.C. 7201 was reached.

15 (xxxi) Is the Department of Justice, or any office or
16 officer thereof, aware of any electronic eavesdropping by any
17 Government Agent from January 1, 1958, to the present date, taking
18 place at:

19 (a) The residence of ELI BOYER; *No*

20 (b) The Los Angeles or Las Vegas offices of the
21 accounting firm of Zeman, Teller, Boyer and Goldberg; *No*

22 (c) The residence of MORRIS B. DALITZ; or *No*

23 (d) Wilbur Clark's Desert Inn? *See - 1958*

24 (xxxii) If the answer to the preceding question, or
25 any part thereof, is in the affirmative, what kind of electronic
26 eavesdropping device was used, and by what Government Agency?

27 (xxxiii) If the answer to question xxxi is in the
28 affirmative, state the dates during which electronic eavesdropping
29 devices were in use in each place, to the present date.

30 (xxxiv) If electronic eavesdropping devices were in
31 use as stated in response to the above questions, and such use has
32 been terminated, by whose order was the eavesdropping terminated?

1 (xxxv) What person or persons authorized the use of
2 such electronic eavesdropping devices?

3 (xxxvi) What Statute or Executive Order was relied
4 upon in authorizing the use of electronic eavesdropping devices?

5 (xxxvii) What is the date, or dates, of the installa-
6 tion of any electronic eavesdropping device referred to above?

7 (xxxviii) Does a recording, or transcription thereof,
8 of any conversation overheard through the use of electronic eaves-
9 dropping devices now exist? If so, in whose possession is said
10 recording or transcription?

11 (xxxix) Who participated in the obtaining and
12 perpetration of the information obtained by use of the electronic
13 devices?

14 (xl) When did the information concerning the use of
15 electronic eavesdropping devices at those places listed in answer
16 to question xxxi first come into the hands of any Government lawyer?
17 List the names of those lawyers who have had possession, or are now
18 in possession of such information.

19 (xli) What use was made of information obtained
20 through the use of electronic eavesdropping devices in this case?

21 WHEREFORE, it is prayed that this motion be granted.

22 DATED: June 29, 1966.

23 Respectfully submitted,

24 DAVID GOLDWATER, J. A. DORNELLEY
25 and BRUCE I. HOCHMAN

26 By David Goldwater
DAVID GOLDWATER

27 By Bruce I. Hochman
28 BRUCE I. HOCHMAN
29 Attorneys for Morris B. Dalitz

30 DAVID GOLDWATER and BRUCE I. HOCHMAN

31 By David Goldwater
DAVID GOLDWATER

32 By Bruce I. Hochman
BRUCE I. HOCHMAN
Attorneys for Eli Boyer

(SPACE BELOW FOR FILING STAMP ONLY)

LAW OFFICES OF
MOCHMAN AND SALKIN
FOURTH FLOOR, FIDELITY BANK BUILDING
3870 WILSHIRE BOULEVARD
BEVERLY HILLS, CALIFORNIA
TELEPHONE 8-1811 CABLEVISION 8-1181

Attorneys for Defendants, Morris B.
Dalitz and Eli Boyer

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

UNITED STATES OF AMERICA,
Plaintiff,
v.
MORRIS B. DALITZ and
ELI BOYER,
Defendants.

No. 1274

MEMORANDUM OF LAW
IN SUPPORT OF MOTION
FOR BILL OF PARTICULARS

I

NEW COURT RULE

Beginning July 1, 1966, Rule 7(f) of the Federal Rules of Criminal Procedure will read as follows:

"The court may direct the filing of a bill of particulars. A motion for a bill of particulars may be made before arraignment or within ten days after arraignment or at such later time as the court may permit. A bill of particulars may be amended at any time subject to such conditions as justice requires." (39 F.R.D. 253, 254.)

There are two major changes under the new rule. The rule no longer provides that a bill of particulars may be granted "for cause." In stating the reason for the removal of said clause, the Advisory Committee's Note states:

1 "The amendment to the first sentence
2 eliminating the requirement of a showing of
3 cause is designed to encourage a more liberal
4 attitude by the courts toward bills of
5 particulars without taking away the discretion
6 which courts must have in dealing with such
7 motions in individual cases. For an illustra-
8 tion of wise use of this discretion see the
9 opinion by Justice Whittaker written when he
10 was a district judge in United States v. Smith,
11 16 F.R.D. 372 (W.D.Mo., 1954)." 39 F.R.D. 170.
12 The second major change in the rule provides for the use of
13 broader discretion on the Court's part as to when a bill of
14 particulars may be granted.

15 By order of the Supreme Court of the United States, 39
16 F.R.D. 252, 276, the amendments to the Rules of Criminal Procedure,
17 "...shall take effect on July 1, 1966, and shall govern all criminal
18 proceedings thereafter commenced and so far as just and practicable
19 all proceedings then pending." It is submitted that the revised
20 Rule 7(f), providing for broad judicial discretion and permissive-
21 ness in granting a bill of particulars, shall govern in this case.

22 II

23 CASE LAW

24 As the Advisory Committee of the Judicial Conference of
25 the United States has seen fit to cite the decision of Justice
26 Whittaker in the case of United States v. Smith, supra, certain
27 passages of that decision, beginning at page 374 and continuing
28 onto page 375, are quoted below:

29 "...Rule 7(f) necessarily presupposes an
30 indictment or information good against a
31 motion to quash or a demurrer. Its proper
32 office 'is to furnish to the defendant further

1 information respecting the charge stated in
2 the indictment when necessary to the preparation
3 of his defense, and to avoid prejudicial surprise
4 at the trial', and when necessary for those pur-
5 poses, is to be granted even though it requires
6 'the furnishing of information which in other
7 circumstances would not be required because
8 evidentiary in nature', and an accused is
9 entitled to this 'as of right'. (Citations)

10 . . .
11 "Nor is it any answer to a motion for a bill of
12 particulars for the government to say: 'The
13 defendant knows what he did, and, therefore, has
14 all the information necessary.' This argument
15 could be valid only if the defendant be presumed
16 to be guilty. For only if he is presumed guilty
17 could he know the facts and details of the crime.
18 Instead of being presumed guilty, he is presumed
19 to be innocent. Being presumed to be innocent,
20 it must be assumed 'that he is ignorant of the
21 facts on which the pleader founds his charges'.
22 (Citations) This conclusion seems to me to be
23 elementary, fundamental and inescapable.

24 "Without definite specification of the time and
25 place of commission of the overt acts complained
26 of, and of the identity of the person or persons
27 dealt with, there may well be difficulty in pre-
28 paring to meet the general charges of the infor-
29 mation, and some danger of surprise." (Emphasis
30 per report)

31 In the case of United States v. Covelli (N.D. Ill., 1962)
32 210 F. Supp. 589, 590, a conspiracy case, the Court stated:

1 "The names and addresses of any co-conspirators
2 who have become known to the Government since
3 the indictment was returned should certainly be
4 furnished (in a bill of particulars). Any such
5 co-conspirators occupy the same stance as a
6 defendant named in the indictment, at least
7 insofar as their identity and addresses are
8 concerned, and the fact that they were not
9 known at the time of the presentment before the
10 grand jury is merely fortuitous and cannot be a
11 basis for refusal to disclose.

12 "The same principle applies to overt acts which
13 could have been included in the indictment but
14 were not and which the Government intends to
15 present testimony about at the trial. If the
16 requested particulars of these acts are not now
17 disclosed, the Court will inevitably be met at
18 the trial with a motion to strike or exclude on
19 the ground of surprise. The Government cannot
20 put the defendant in the position of disclosing
21 certain overt acts through the indictment and
22 withholding others subsequently discovered, all
23 of which it intends to prove at the trial. This
24 is the type of surprise a bill of particulars
25 is designed to avoid.

26 "As to other persons who may have been present
27 at certain conversations which form an important
28 part of the Government's case, this information
29 should also be furnished. The Government's con-
30 tention that it is thereby compelled to put its
31 entire case in the hands of the defense is un-
32 warranted, since it will be remembered that the

1 Court refused to order disclosure of the
2 substance of any of these conversations."

3 In United States v. Baker Brush Company, Inc. (S.D.N.Y.,
4 1961) 197 F. Supp. 922, the Court first held that the defendant
5 should be furnished with a bill of particulars defining the
6 essential facts constituting the offense charged. The Court then
7 analyzed an interesting contention of the defendant. The defendant
8 had requested a detailed statement of the dates upon which all of
9 the alleged acts had occurred. The indictment raised a question as
10 to whether or not the statute of limitations had run on prosecution
11 of the offense. The Court, quoting Singer v. United States, 58 F.2d
12 74, 75, stated, at page 924: "A bill of particulars would have
13 enabled the defendant on the one hand to prepare his defense, or,
14 on the other, to attack the indictment." (Emphasis per report)

15 In U.S. v. Bonanno (D.C.N.Y., 1959) 177 F. Supp. 106,
16 reversed on other grounds 285 F. 2d 408, the Court held that the
17 Government must "specify in what manner it will claim the defendants"
18 conspired to defeat the Governmental functions of the United States
19 as charged.

20 In U.S. v. Lopez (D.C.N.Y., 1960) 26 F.R.D. 174, the Court
21 held that in a conspiracy case, the Government would be compelled to
22 answer, but only approximately, defendant's request for particulars
23 as to the date when the defendant entered into the conspiracy, the
24 situs of the conspiracy, and the date, time and place of the overt
25 acts alleged.

26 The Government in an income tax prosecution is required to
27 state in a bill of particulars the specific theories, or methods,
28 or combinations thereof which were used to compute the defendant's
29 taxable income for each of the years in question.

30 U.S. v. Serron (D.C. Mo., 1963) 218 F. Supp. 871.

31 U.S. v. O'Neill (D.C.N.Y., 1957) 20 F.R.D. 180.

32 U.S. v. Geller (D.C.N.Y., 1958) 163 F. Supp. 502.

all *substantive*
charges?

1 U.S. v. Wheeland (D.C. Pa., 1960) 25 F.R.D. 481.

2 On June 14, 1966, the Los Angeles Times carried an article
3 describing the Order of the Supreme Court, dated June 13, 1966, in
4 the case of United States v. Fred B. Black, Jr. Said Order was
5 directed at the F.B.I. and Justice Department, and required that
6 they disclose the following information pertaining to the "bugging"
7 of Mr. Black's office: (The kind of bugging used by the F.B.I.; the
8 person or persons who authorized its installation; the statute or
9 executive order relied upon; date or dates of installation; whether
10 there exists a recording of conversations overheard; when informa-
11 tion concerning the bugging of Mr. Black came into the hands of any
12 Government lawyer, and the names of those lawyers; and the use made
13 of information obtained through bugging in the case before the Court.
14 Counsel are attempting to obtain copies of this Order, and they will
15 be forwarded to the Court as soon as obtained.

16 Defendants suggest that they are entitled to the above
17 information in order to lay a foundation for a motion to suppress,
18 should the bill of particulars disclose electronic eavesdropping
19 which may have yielded evidence to be offered during the trial of
20 this matter, or which provided leads to evidence. Should there in
21 fact be no electronic eavesdropping, the answers requested herein
22 will indicate that point, and defendants will thereby be relieved
23 from the useless procedural step of bringing a motion to suppress;
24 the Government will also be benefited in that many of its employees
25 will be freed from the onerous burden of appearing under subpoena
26 during the hearing of a motion to suppress; and the Court will not
27 be burdened with an unnecessary proceeding which could be lengthy.

28 The case of United States v. Lipshitz (E.D.N.Y., 1957) 150
29 F. Supp. 321, 322, discusses the propriety of requesting information
30 relating to suppression through the procedural device of requesting
31 a bill of particulars under Rule 7(f):

32 "Since evidence relating to sales to the three

1 South African concerns has been suppressed,
2 it becomes particularly important that the
3 defendant, in the preparation of his defense,
4 know specifically what unreported sales the
5 Government will rely on in the prosecution of
6 the case. The fact that the Government may,
7 as it claims, be required thereby to disclose
8 some of its evidence is not, in and of itself,
9 a ground for the denial thereof, if the
10 information sought is necessary, as I believe
11 it is, to enable the defendant to prepare his
12 defense. United States v. Kessler, D.C., 43
13 F. Supp. 408.

14 "But there is still another reason why the
15 defendant should have such information. In
16 view of the order of suppression herein, he
17 should have an opportunity to be prepared to
18 show at the trial, if it be so, that the
19 evidence of unreported sales to be offered by
20 the Government was obtained directly or
21 derivatively from the evidence heretofore
22 suppressed."

23 Since a motion to suppress and a bill of particulars are
24 both, in reality, procedural means for obtaining discovery prior to
25 trial in a Federal criminal case, it is procedurally more expedient
26 to lay foundation for a motion to suppress through a bill of partic-
27 ulars, and then bring said motion to suppress should such action be
28 indicated by the Government's response to the bill of particulars.

29 DATED: June 29, 1966.

30 Respectfully submitted,

31 DAVID GOLDWATER, J. A. DONNELLEY
and BRUCE I. HOCHMAN

32 By David Goldwater
DAVID GOLDWATER

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By Bruce I. Hochman
BRUCE I. HOCHMAN
Attorneys for Morris B. Dalitz

DAVID GOLDWATER and BRUCE I. HOCHMAN
By David Goldwater
DAVID GOLDWATER

By Bruce I. Hochman
BRUCE I. HOCHMAN
Attorneys for Eli Boyer

1 STATE OF NEVADA }
2 COUNTY OF CLARK }

ss.

AFFIDAVIT OF MAILING

3 NANCY TUMBLESON, being first duly sworn, deposes and says:

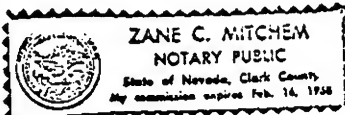
4 That, on the 1st day of July, 1966, she deposited in the U. S. Post
5 Office at Las Vegas, Nevada, one (1) sealed envelope, in which was contained
6 a copy of the foregoing NOTICE OF MOTION FOR BILL OF PARTICULARS,
7 MOTION FOR BILL OF PARTICULARS, and MEMORANDUM OF LAW IN
8 SUPPORT OF MOTION FOR BILL OF PARTICULARS, postage prepaid thereon;
9 that said sealed envelope was addressed as follows:

10 MICHAEL DE FEO, Esq.
11 Assistant United States Attorney
12 Post Office Building
13 Las Vegas, Nevada

14 *Nancy Tumbleson*
NANCY TUMBLESON

16 SUBSCRIBED and SWORN to before
17 me this 1st day of July, 1966.

18 *Zane C. Mitchem*
19 Notary Public, Clark County, Nevada



MEMORANDUM IN RESPONSE TO AN
ORDER OF THE COURT SUPPLYING
DEFENDANTS CERTAIN PARTICULARS
REQUESTED IN DEFENDANTS' MOTION

The following particulars are furnished pursuant to the Order
of the Court:

V. Overt acts not stated in indictment

1. Defendant Boyer in Los Angeles, California, caused the assignment of 5,000 shares of Turbo-Dynamics Corporation from American Metal Alloys, Inc., to Morris B. Dalitz on or about December 17, 1958, falsely dating said assignment as October 1, 1958.
2. In November, 1958, defendant Boyer had conversations with J. A. Garcia and James B. Hoffman in Los Angeles, California.
3. In November and December, 1958, defendant Boyer had conversations with James B. Hoffman in Los Angeles, California.
4. Defendant Boyer in or about December, 1958, travelled to Las Vegas, Nevada, to meet with defendant Dalitz.
5. Defendants Boyer and Dalitz in or about December, 1958, met with J. A. Garcia in Las Vegas, Nevada, and discussed the \$50,000 loan to Turbo-Dynamics.
6. On or about December 17, 1958, defendants in Los Angeles, California, caused Turbo-Dynamics Corporation to issue a 4-month note for \$50,000 to Atlantida, S. A.
7. On or about December 17, 1958, defendant Boyer in Los Angeles, California, caused shares of Turbo-Dynamics stock to be placed in escrow with him.
8. On or about April 17, 1959, defendant Boyer while in Los Angeles, California, arranged for the \$50,000 loan from Atlantida to be extended.

9. On or about December, 1958, defendant Boyer while in Los Angeles caused Memco Oil Corporation to act as guarantor on the \$50,000 loan from Atlantida, S. A. to Turbo-Dynamics Corporation.

10. On or about November 27, 1963, defendant Boyer in Los Angeles falsely told agents of the Internal Revenue Service that he had no part in arranging the \$50,000 loan from Atlantida.

VI. Acts were performed in places indicated above.

XX. Taxable income was required to be reported upon the acquisition of the five thousand shares of Turbo-Dynamics Corporation stock in 1958. The fair market value of the shares upon their receipt in December, 1958, should have been reported. That value was approximately \$15,000.00.

XXII. The tax basis of the five thousand shares of Turbo-Dynamics Corporation stock sold on or about April 17, 1959, is the market value of the shares upon their acquisition in December, 1958. That value is approximately \$15,000.00.

XXIII. The tax basis referred to in the preceding question was computed by reference to section 1012 of the Internal Revenue Code of 1954. This section provides that the basis of property is its cost. The cost of stock is the value of property or services given in exchange for it. If there is no evidence as to what that value was, then the presumption is that it had a value equal to the fair market value of the shares received in exchange.

XXIV. No taxable income was omitted from the 1959 federal income tax return of defendant, Morris B. Dalitz, as a result of the conspiracy.

XXV. No income tax was omitted from the 1959 federal income tax return of defendant, Morris B. Dalitz, as a result of the alleged conspiracy.

He should have reported a short term capital loss from the sale of the five thousand shares of Turbo-Dynamics stock of approximately \$6.12.

XXVI. Approximately \$15,000 of taxable income was omitted from the 1958 federal income tax return of defendant, Morris B. Dalitz, as a result of the alleged conspiracy.

XXVII. Approximately \$6,678.59 of income tax was omitted from the 1958 federal income tax return of defendant, Morris B. Dalitz, as a result of the alleged conspiracy.

XXVIII. The value of the five thousand shares of Turbo-Dynamics Corporation stock which were the subject of the alleged conspiracy was approximately \$15,000.00 on October 1, 1958, \$15,000.00 on December 16, 1958, and \$15,000.00 on April 17, 1959.

XXXI. The Department of Justice is aware of electronic eavesdropping by Government agents ~~at the executive offices of Wilbur Clark's Desert Inn~~ taking place at (d) the executive offices of Wilbur Clark's Desert Inn. The Department of Justice is not aware of any eavesdropping by Government agents at locations (a), (b) or (c). * (See ~~enclosure~~)

XXXII. A microphone was used by the Federal Bureau of Investigation.

XXXIII. The microphone was in use from March 22, 1962, until August 15, 1963.

XXXIV. The use of the device was terminated by order of FBI's local office in Las Vegas.

XXXV. Under Departmental practice in effect for a period of years prior to 1963 the Director of the FBI was given the authority to approve the installation of devices such as that in question for intelligence (and not evidentiary) purposes when required in the interest of internal security or national safety, including organized crime, kidnappings and matters wherein human life might be at stake. Acting on the basis of the aforementioned Departmental authorization, the Director approved installation of the device involved in the instant case.

b7C

- * a - ~~Residence of [redacted]~~
b - LA or LV office of accounting firm
of ~~Wilbur Clark's Desert Inn~~ ~~Boys' & Girls' Club~~
c - ~~Residence of Morris B. Dalitz~~
d - Wilbur ~~Clark's~~ Desert Inn.

XXXVI. No specific statute or executive order was relied upon in the installation of the listening device in question. Under 5 U.S.C. 300, the Attorney General has the authority to appoint officials for the detection and prosecution of crimes against the United States. In carrying out this responsibility, Attorneys General have delegated to the Director of the Federal Bureau of Investigation the duty to gather intelligence, to investigate violations of federal laws, and to collect evidence in cases in which the United States is or may be a party. See 28 C.F.R. 0.85 (1966 rev.).

XXXVII. The device was installed on March 22, 1962.

XXXVIII. No recordings of any monitored conversations exist today. The assignment of the various monitoring personnel was to keep a log of their hours on duty and to record in the log the participants in each conversation overheard in the executive offices of the Desert Inn as far as they could ascertain them and to make a short entry as to the substance of those conversations. When a conversation was thought to be of ~~particular~~ significance (or when the monitoring clerk or agent was in doubt as to its significance or was occupied so that he could not himself monitor the conversation as transmitted over the loudspeaker or earphones) the monitor would tape record the conversation. At a later time, these recordings would be listened to by the agent in charge of the investigation who would prepare a summary of the contents of the tape (which would often include verbatim transcriptions of certain conversations). The tape was then erased.

Both the logs and the summaries referred to above are in the possession of the United States Court of Appeals for the Tenth Circuit in connection with the appeal of United States of America v. Ruby Kolod, et al.

XXXIX. The following employees of the Federal Bureau of Investigation participated in the obtaining and preparation of the information obtained by the use of the electronic device:

Dean Elson - Special Agent in Charge, Las Vegas Office.

R. Burns Toolson - Special Agent in Charge of the Desert Inn
Investigation who reviewed the logs and tapes
prepared by the monitors and wrote the summaries.

Arthur Barrett, Special Agent. Monitor.

J. L. Dawson, Special Agent. Monitor.

W. H. Drake, Special Agent. Monitor.

C. F. Freeman, Special Agent. Monitor.

D. H. Holland, Special Agent. Monitor.

L. Kinney, Jr., Special Agent. Monitor.

J. E. McCloskey, Special Agent. Monitor.

Robert D. Lee, Special Agent. Monitor.

W. T. McFaul, Special Agent. Monitor.

F. R. McGinty, Special Agent. Monitor.

M. B. Parker, Special Agent. Monitor.

C. I. Peterkin, Jr., Special Agent. Monitor.

T. J. Reilly, Jr., Special Agent. Monitor.

J. E. Shedd, Special Agent. Monitor.

F. G. Schmidt, Special Agent. Monitor.

L. Fain, Special Agent. Monitor.

J. C. Kramer, Clerk. Monitor.

J. R. Reidenower, Clerk. Monitor.

Allen Chamberlain, Clerk. Monitor.

J. R. Clark, Clerk. Monitor.

J. R. Dunfee, Clerk. Monitor.

XL Information concerning use of a listening device at the Desert Inn first came to the attention of the Department of Justice lawyers at the supervisory level on or about _____. The information is now a matter of public knowledge having been widely publicized as a result of the testimony in United States v. Kolod.

~~XII.~~

XLI

No ~~information~~ information obtained through ~~electronic eaves-~~dropping devices was used in the investigation, preparation, or presentation of this case.

Note: The ^{final} answer to No. 40 has not yet been formulated. We will show the Bureau the proposed answer ~~with~~ before it is finalized
L. K. Bailey

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. DeLoach

FROM : J. H. Gale

SUBJECT: MORRIS B. DALITZ
DESERT INN
STARDUST HOTEL AND CASINO
LAS VEGAS, NEVADA

DATE: November 15, 1966

Tolson ☒
DeLoach ☒
Mohr ☒
Casper ☒
Callahan ☒
Conrad ☒
Felt ☒
Gale ☒
Rosen ☒
Sullivan ☒
Tavel ☒
Trotter ☒
Tele. Room ☒
Holmes ☒
Gandy ☒

ELI BOYER
LOS ANGELES, CALIFORNIA, AND
LAS VEGAS, NEVADA

Departmental attorney L. K. Bailey on 11/14/66 furnished the Special Investigative Division an additional three pages (attached) of his proposed memorandum prepared in response to an order of the court, supplying defendants certain particulars requested in defendants' motion. We have previously analyzed the Department's answer for this Bill of Particulars and furnished our opinion to the Acting Attorney General by memorandum dated November 9, 1966.

The Department stated that they learned during October, 1964, that listening devices had been used in the Desert Inn. This is in accordance with information in Bureau files. The Department also lists the names of six Departmental attorneys who have received information from this source in report form. The Department further states that no information obtained from the electronic eavesdropping device was used in instant case concerning Dalitz and Boyer.

In preparing these additional pages the Department, of course, is once again not admitting that the Bureau used microphones under the authority of the Attorney General. By letter dated November 9, 1966, to the Acting Attorney General, the Bureau recommended that the pertinent documents reflecting that authority for microphone coverage came from the Department and the Attorney General should be made available to the court in this case just as we recommended that they be made available to the Supreme Court in the Black case. It does not appear, therefore, that any point would be served in again raising this question with the Department since it is apparent they have no intention of following our recommendations.

Enc. (2) sent 11-15-66

ENCLOSURE
Mr. DeLoach
1 - Mr. Gale
1 - Mr. McAndrews
1 - [REDACTED]

CONTINUED - OVER

MER:skb:dsa
(8)

NOV 22 1966

UNRECORDED COPY FILED IN 92-2067-457

Memorandum to Mr. DeLoach
Re: Morris B. Dalitz

ACTION:

There is attached for approval a memorandum to the Acting Attorney General advising him that we have reviewed the additional three pages forwarded by Lawrence K. Bailey of the Tax Division and that the Bureau has no additional comments to make other than those set forth in our letter of November 9, 1966. A copy of our letter of November 9, 1966, to the Acting Attorney General is attached for information.

h *OK - ✓* *ds*
JL *H* *rel*
Mag

XI

The request here is unclear as to just what defendants are demanding. We assume that the first sentence is intended to request information as to when Department of Justice lawyers learned that a listening device had been placed in the Desert Inn. We assume also that the second sentence intends to cover information obtained through use of the electronic device.

Our files reflect ^{that} information indicating that a listening device had been in use at the Desert Inn came to the attention of Department of Justice lawyers in October 1964 in connection with a civil proceeding in Las Vegas.

Information, which it was later determined was obtained through the use of the listening device, was contained in reports submitted to the Organized Crime and Racketeering Section of the Criminal Division. None of this information pertained in any manner to the transactions which are the subject of the indictment in this case. There is attached hereto a list of these reports by date, indicating the date of receipt in the Organized Crime and Racketeering Section of the Criminal Division (OC & R) and the names of the attorneys to whom each report was routed.

- 7 -

Rpt of 4-9-62	Rec'd 4-30-62 in OC&R	James Misslbeck, Louis Scalzo
Rpt of 5-31-62	Rec'd 6-18-62 in OC&R	James Misslbeck, Louis Scalzo
Rpt of 7-16-62	Rec'd 7-25-62 in OC&R	James Misslbeck, Louis Scalzo
Rpt of 8-10-62	Rec'd 8-20-62 in OC&R	James Misslbeck, Louis Scalzo
Rpt of 9-18-62	Rec'd 10-3-62 in OC&R	Louis Scalzo, John Keeney
Rpt of 10-19-62	Rec'd 11-7-62 in OC&R	Herbert Bates, Louis Scalzo John Keeney, Dougald McMillan
Rpt of 11-26-62	Rec'd 12-7-62 in OC&R	Louis Scalzo, John Keeney Herbert Bates
Rpt of 1-18-63	Rec'd 2-6-63 in OC&R	Louis Scalzo, John Keeney Philip White
Rpt of 4-3-63	Rec'd 4-22-63 in OC&R	John Keeney, Louis Scalzo Philip White, Herbert Bates
Rpt of 6-19-63	Rec'd 7-3-63 in OC&R	Louis Scalzo, John Keeney Herbert Bates, Philip White
Rpt of 8-14-63	Rec'd 8-22-63 in OC&R	Louis Scalzo, John Keeney
Rpt of 9-21-62	Rec'd 10-4-62 in OC&R	Louis Scalzo
Rpt of 12-3-62	Rec'd 12-13-62 in OC&R	Louis Scalzo, John Keeney
Rpt of 3-4-63	Rec'd 3-15-63 in OC&R	John Keeney, Louis Scalzo, Philip White
Rpt of 6-5-63	Rec'd 6-21-63 in OC&R	Louis Scalzo, John Keeney
Rpt of 12-20-62	Rec'd 1-11-63 in OC&R	Louis Scalzo, John Keeney
Rpt of 4-10-63	Rec'd 4-25-63 in OC&R	Louis Scalzo, John Keeney, Philip White

- 8 -

XLI No information obtained through electronic eavesdropping devices
was used in this case.

The Acting Attorney General

November 8, 1938

Director, FBI

MORRIS B. DALITZ
DESSERT INN
STARDUST HOTEL AND CASINO
LAS VEGAS, NEVADA

67C [REDACTED]
LOS ANGELES, CALIFORNIA, AND
LAS VEGAS, NEVADA

This is to acknowledge receipt of a memorandum from Departmental Attorney L. E. Bailey of the Tax Division, prepared in response to an order of the court supplying defendants certain particulars requested in defendants' motion.

This memorandum has been reviewed, and the answers set forth are factually correct as they pertain to the mechanics of the Bureau's microphone installation.

I must take exception to your response concerning the authority for use of microphone surveillances. I strongly urge that copies of the memoranda relative to the usage of microphones be attached as exhibits to the memorandum to be filed before the court. These include the memorandum of former Assistant Director Courtney A. Evans dated July 7, 1931; the memorandum dated August 17, 1931, signed by former Attorney General Robert Kennedy authorizing the use of leased lines for microphones; the memorandum from the Bureau to former Deputy Attorney General Byron B. White dated May 4, 1931; and the letter from former Assistant Attorney General Herbert J. Miller, Jr., to Senator Sam J. Ervin, Jr., dated May 25, 1931, copies of which are attached.

The Acting Attorney General

I believe the inclusion of the above exhibits as attachments to the memorandum to be filed will give an accurate picture of the authorization insofar as the FBI's usage of microphones is concerned.

Enc. (6)

1 - The Deputy Attorney General - Enc. (6)

1 - Mr. Fred M. Vinson, Jr. - Enc. (6)
Assistant Attorney General

1 - Mr. Mitchell Fogovin - Enc. (6)
Assistant Attorney General

F B I

Date: 11/17/66

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL AIRMAIL
(Priority)

TO: DIRECTOR, FBI (92-3068)

FROM: SAC, LAS VEGAS (92-461)

M. B. DALITZ

AR

OO: LV

Enclosed herewith for the Bureau find two copies of the government's response to the order of the court dated 11/28/66, which was filed in Federal Court in Las Vegas in connection with the income tax case filed against MORRIS B. DALITZ and ELI BOYER.

Copies of this memorandum furnished to me by Special Assistant USA MICHAEL DE FEO. These copies are being furnished to the Bureau in the event the Department did not furnish same to Bureau headquarters.

3 - Bureau (Enc - 2)
1 - Las Vegas

DWE: jlb
(4)

REC-8

EX-108

NOV 21 1966

ENCLOSURE ATTACHED

DEC 16 1966

Special Agent in Charge

Sent _____ M Per _____

NOV 16 1966

OLIVER F. PRATT, CLERK
BY _____ DEPUTY

1 JOSEPH L. WARD
2 United States Attorney
3 MICHAEL DeFEO
4 Special Assistant United States Attorney
5 302 Post Office Building
6 Las Vegas, Nevada
7 382-7065

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

* * * *

10 UNITED STATES OF AMERICA,)

11 Plaintiff,)

Criminal No. 1274

12 v.)

PLAINTIFF'S MEMORANDUM IN
RESPONSE TO THE ORDER OF
THE COURT DATED SEPTEMBER
28, 196613 MORRIS B. DALITZ and)
14 ELI BOYER,)15 Defendants.)
16

17 COMES NOW the United States of America, plaintiff herein,
18 and in response to the Court's order of September 28, 1966,
19 supplies the following particulars:
20

21 (v) What overt acts were performed in furtherance of the
22 conspiracy, other than those stated in the indictment?
23

24 1. Defendant Boyer in Los Angeles, California, caused
25 the assignment of 5,000 shares of Turbo-Dynamics Corporation from
26 American Metal Alloys, Inc., to Morris B. Dalitz on or about
27 December 17, 1958, falsely dating said assignment as October 1, 1958.

28 2. In November, 1958, defendant Boyer had conversa-
29 tions with J. A. Garcia and James B. Hoffman in Los Angeles,
30 California.
31

32 3. In November and December, 1958, defendant Boyer

1 had conversation with James B. Hoffman in Los Angeles, California.

2 4. Defendant Boyer in or about December, 1958,
3 travelled to Las Vegas, Nevada, to meet with defendant Dalitz.

4 5. Defendants Boyer and Dalitz in or about December,
5 1958, met with J. A. Garcia in Las Vegas, Nevada, and discussed
6 the \$50,000 loan to Turbo-Dynamics.
7

8 6. On or about December 17, 1958, defendants in Los
9 Angeles, California, caused Turbo-Dynamics Corporation to issue
10 a 4-month note for \$50,000 to Atlantida, S. A.

11 7. On or about December 17, 1958, defendant Boyer
12 in Los Angeles, California, caused shares of Turbo-Dynamics stock
13 to be placed in escrow with him.
14

15 8. On or about April 17, 1959, defendant Boyer while
16 in Los Angeles, California, arranged for the \$50,000 loan from
17 Atlantida to be extended.

18 9. On or about December, 1958, defendant Boyer while
19 in Los Angeles caused Memco Oil Corporation to act as guarantor
20 on the \$50,000 loan from Atlantida, S. A. to Turbo-Dynamics
21 Corporation.
22

23 10. On or about November 27, 1963, defendant Boyer
24 in Los Angeles falsely told agents of the Internal Revenue Service
25 that he had no part in arranging the \$50,000 loan from Atlantida.
26

27 (vi) Where and when were those acts performed?

28 Acts were performed in places indicated above on
29 or about the dates indicated.

30 (xx) Was taxable income required to be reported on the
31 acquisition of the five thousand shares of Turbo Dynamics Corpora-
32 tion stock, i.e., in 1958? If so, how much?

1 Taxable income was required to be reported upon the
2 acquisition of the five thousand shares of Turbo-Dynamics Corpora-
3 tion stock in 1958. The fair market value of the shares upon their
4 receipt in December, 1958, should have been reported. That value
5 was approximately \$15,000.00.
6

7 (xxii) What was the tax basis of the five thousand shares
8 of Turbo Dynamics Corporation stock sold on or about April 17,
9 1959?

10 The tax basis of the five thousand shares of Turbo-
11 Dynamics Corporation stock sold on or about April 17, 1959, is
12 the market value of the shares upon their acquisition in December,
13 1958. That value is approximately \$15,000.00.
14

15 (xxiii) How was the tax basis referred to in the preceding
16 question computed, i.e., based upon what Internal Revenue Code
17 Section and theory?

18 The tax basis referred to in the preceding question
19 was computed by reference to section 1012 of the Internal Revenue
20 Code of 1954. This section provides that the basis of property is
21 its cost. The cost of stock is the value of property or services
22 given in exchange for it. If there is no evidence as to what that
23 value was, then the presumption is that it had a value equal to the
24 fair market value of the shares received in exchange.
25

26 (xxiv) What amount of taxable income would be and was
27 omitted from the 1959 Federal income tax return of defendant, MORRIS
28 B. DALITZ, as a result of the alleged conspiracy?
29

30 No taxable income was omitted from the 1959 federal
31 income tax return of defendant, MORRIS B. DALITZ, as a result of
32 the conspiracy.

1 (xxv) What amount of income tax would be and was omitted
2 from the 1959 Federal income tax return of defendant, MORRIS B.
3 DALITZ, as a result of the alleged conspiracy?

4 No income tax was omitted from the 1959 federal
5 income tax return of defendant, Morris B. Dalitz, as a result of
6 the alleged conspiracy. He should have reported a short term
7 capital loss from the sale of the five thousand shares of Turbo-
8 Dynamics stock of approximately \$6.12.

9
10 (xxvi) What amount of taxable income would be and was
11 omitted from the 1958 Federal income tax return of defendant,
12 MORRIS B. DALITZ, as a result of the alleged conspiracy?

13 Approximately \$15,000 of taxable income was omitted
14 from the 1958 federal income tax return of defendant, Morris B.
15 Dalitz, as a result of the alleged conspiracy.

16
17 (xxvii) What amount of income tax would be and was omitted
18 from the 1958 Federal income tax return of defendant, MORRIS B.
19 DALITZ, as a result of the alleged conspiracy?

20 Approximately \$6,678.59 of income tax was omitted
21 from the 1958 federal income tax return of defendant, Morris B.
22 Dalitz, as a result of the alleged conspiracy.

23
24 (xxviii) What was the value of the five thousand shares of
25 Turbo Dynamics Corporation stock which were the subject of the
26 alleged conspiracy, on:

- 27 (a) October 1, 1958;
28 (b) December 16, 1958;
29 (c) April 17, 1959?

30 The value of the five thousand shares of Turbo-
31 Dynamics Corporation stock which were the subject of the alleged
32

1 conspiracy was approximately \$15,000.00 on October 1, 1958,
2 \$15,000.00 on December 16, 1958, and \$15,000.00 on April 17, 1959.

3 (xxx1) Is the Department of Justice, or any office or
4 officer thereof, aware of any electronic eavesdropping by any
5 Government Agent from January 1, 1958, to the present date, taking
6 place at:
7

8 (a) The residence of ELI BOYER;

9 (b) The Los Angeles or Las Vegas offices of the
10 accounting firm of Zeman, Teller, Boyer and Goldberg;

11 (c) The residence of MORRIS B. DALITZ; or

12 (d) Wilbur Clark's Desert Inn?
13

14 The Department of Justice is aware of electronic
15 eavesdropping by Government agents from March 22, 1962 to August
16 15, 1963, taking place at (d) the executive offices of Wilbur
17 Clark's Desert Inn. The Department of Justice is not aware of any
18 eavesdropping by Government agents at locations (a), (b) or (c).
19

20 (xxx1i) If the answer to the preceding question, or any part
21 thereof, is in the affirmative, what kind of electronic eaves-
22 dropping device was used, and by what Government Agency?
23

24 A microphone was used by the Federal Bureau of
25 Investigation.

26 (xxx1ii) If the answer to question xxx1 is in the affirmative,
27 state the dates during which electronic eavesdropping devices were
28 in use in each place, to the present date.
29

30 The microphone was in use from March 22, 1962,
31 until August 15, 1963.
32

1 (xxxiv) If electronic eavesdropping devices were in use as
2 stated in response to the above questions, and such use has been
3 terminated, by whose order was the eavesdropping terminated?

4 The use of the device was terminated by order of
5 FBI's local office in Las Vegas.
6

7 (xxxv) What person or persons authorized the use of such
8 electronic eavesdropping devices?

9 Under Departmental practice in effect for a period
10 of years prior to 1963 the Director of the FBI was given the
11 authority to approve the installation of devices such as that in
12 question for intelligence (and not evidentiary) purposes when
13 required in the interest of internal security or national safety,
14 including organized crime, kidnappings and matters wherein human
15 life might be at stake. Acting on the basis of the aforementioned
16 Departmental authorization, the Director approved installation
17 of the device involved in the instant case.
18

19 (xxxvi) What Statute or Executive Order was relied upon in
20 authorizing the use of electronic eavesdropping devices?
21

22 No specific statute or executive order was relied
23 upon in the installation of the listening device in question.
24 Under 5 U.S.C. 300, the Attorney General has the authority to
25 appoint officials for the detection and prosecution of crimes
26 against the United States. In carrying out this responsibility,
27 Attorneys General have delegated to the Director of the Federal
28 Bureau of Investigation the duty to gather intelligence, to
29 investigate violations of federal laws, and to collect evidence in
30 cases in which the United States is or may be a party. See 28
31 C.F.R. 0.85 (1966 rev.).
32

1 (xxxvii) What is the date, or dates, of the installation of
2 any electronic eavesdropping device referred to above?

3 The device was installed on March 22, 1962.

4 (xxxviii) Does a recording, or transcription thereof, of any
5 conversation overheard through the use of electronic eavesdropping
6 devices now exist? If so, in whose possession is said recording
7 or transcription?
8

9 No recordings of any monitored conversations exist
10 today. The assignment of the various monitoring personnel was
11 to keep a log of their hours on duty and to record in the log the
12 participants in each conversation overheard in the executive offices
13 of the Desert Inn as far as they could ascertain them and to make
14 a short entry as to the substance of those conversations. When a
15 conversation was thought to be of significance (or when the monitor-
16 ing clerk or agent was in doubt as to its significance or was
17 occupied so that he could not himself monitor the conversation
18 as transmitted over the loudspeaker or earphones) the monitor
19 would tape record the conversation. At a later time, these
20 recordings would be listened to by the agent in charge of the
21 investigation who would prepare a summary of the contents of the
22 tape (which would often include verbatim transcriptions of certain
23 conversations). The tape was then erased.
24
25

26 Both the logs and the summaries referred to above
27 are in the possession of the United States Court of Appeals for
28 the Tenth Circuit in connection with the appeal of United States
29 of America v. Ruby Kolod, et al.
30

31 (xxxix) Who participated in the obtaining and perpetration
32 of the information obtained by use of the electronic devices?

1 The following employees of the Federal Bureau of
2 Investigation participated in the obtaining and preparation of
3 the information obtained by the use of the electronic device:

4 Dean Elson - Special Agent in Charge

5 Las Vegas Office

6 R. Burns Toolson - Special Agent in Charge of the
7 Desert Inn investigation who reviewed
8 the logs and tapes prepared by the
9 monitors and wrote the summaries.

10 Arthur Barrett, Special Agent. Monitor

11 J. L. Dawson, Special Agent. Monitor

12 W. H. Drake, Special Agent. Monitor

13 C. F. Freeman, Special Agent. Monitor

14 D. H. Holland, Special Agent. Monitor

15 L. Kinney, Jr., Special Agent. Monitor

16 J. E. McCloskey, Special Agent. Monitor

17 Robert D. Lee, Special Agent. Monitor

18 W. T. McFaul, Special Agent. Monitor

19 F. R. McGinty, Special Agent. Monitor

20 M. B. Parker, Special Agent. Monitor

21 C. I. Peterkin, Jr., Special Agent. Monitor

22 T. J. Reilly, Jr., Special Agent. Monitor

23 J. E. Shedd, Special Agent. Monitor

24 F. G. Schmidt, Special Agent. Monitor

25 L. Fain, Special Agent. Monitor

26 J. C. Kramer, Clerk. Monitor

27 J. R. Reidenower, Clerk. Monitor

28 Allen Chamberlain, Clerk. Monitor

1 J. R. Clark, Clerk. Monitor

2 J. R. Dunfee, Clerk. Monitor

3
4 (xl) When did the information concerning the use of
5 electronic eavesdropping devices at those places listed in answer
6 to question XXXI first come into the hands of any Government lawyer?
7 List the names of those lawyers who have had possession, or are now
8 in possession of such information.

9
10 The request here is unclear as to just what
11 defendants are demanding. We assume that the first sentence is
12 intended to request information as to when Department of Justice
13 lawyers learned that a listening device had been placed in the
14 Desert Inn. We assume also that the second sentence intends to
15 cover information obtained through use of the electronic device.

16
17 Our files reflect that information indicating that
18 a listening device had been in use at the Desert Inn came to the
19 attention of Department of Justice lawyers in October 1964 in
20 connection with a civil proceeding in Las Vegas.

21 Information, which it was later determined was
22 obtained through the use of the listening device, was contained
23 in reports submitted to the Organized Crime and Racketeering
24 Section of the Criminal Division. None of this information
25 pertained in any manner to the transactions which are the subject
26 of the indictment in this case. There is attached hereto a list
27 of those reports by date, indicating the date of receipt in the
28 Organized Crime and Racketeering Section of the Criminal Division
29 (OC & R) and the names of the attorneys to whom each report was
30 routed.
31
32

1	Rpt of 4-9-62	Rec'd 4-30-62 in OC&R	James Misselbeck, Louis Scalzo
2			
3	Rpt of 5-31-62	Rec'd 6-18-62 in OC&R	James Misselbeck, Louis Scalzo
4			
5	Rpt of 7-16-62	Rec'd 7-25-62 in OC&R	James Misselbeck, Louis Scalzo
6			
7	Rpt of 8-10-62	Rec'd 8-20-62 in OC&R	James Misselbeck, Louis Scalzo
8	Rpt of 9-18-62	Rec'd 10-3-62 in OC&R	Louis Scalzo, John Keeney
9	Rpt of 10-19-62	Rec'd 11-7-62 in OC&R	Herbert Bates, Louis Scalzo, John Keeney, Dougald McMillan
10			
11	Rpt of 11-26-62	Rec'd 12-7-62 in OC&R	Louis Scalzo, John Keeney Herbert Bates
12			
13	Rpt of 1-18-63	Rec'd 2-6-63 in OC&R	Louis Scalzo, John Keeney Philip White
14			
15	Rpt of 4-3-63	Rec'd 4-22-63 in OC&R	John Keeney, Louis Scalzo Philip White, Herbert Bates
16			
17	Rpt of 6-19-63	Rec'd 7-3-63 in OC&R	Louis Scalzo, John Keeney Herbert Bates, Philip White
18			
19	Rpt of 8-14-63	Rec'd 8-22-63 in OC&R	Louis Scalzo, John Keeney
20	Rpt of 9-21-62	Rec'd 10-4-62 in OC&R	Louis Scalzo
21	Rpt of 12-3-62	Rec'd 12-13-62 in OC&R	Louis Scalzo, John Keeney
22	Rpt of 3-4-63	Rec'd 3-15-63 in OC&R	John Keeney, Louis Scalzo, Philip White
23			
24	Rpt of 6-5-63	Rec'd 6-21-63 in OC&R	Louis Scalzo, John Keeney
25	Rpt of 12-20-62	Rec'd 1-11-63 in OC&R	Louis Scalzo, John Keeney
26	Rpt of 4-10-63	Rec'd 4-25-63 in OC&R	Louis Scalzo, John Keeney, Philip White
27			

(xli) What use was made of information obtained through
the use of electronic eavesdropping devices in this case?

1 No information obtained through electronic
2 eavesdropping devices was used in this case.
3

4 Respectfully submitted,
5

6
7 Michael DeFEO
8 MICHAEL DeFEO
9 Special Assistant United States Attorney
10
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UNITED STATES GOVERNMENT

Memorandum

~~CONFIDENTIAL~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

TO : DIRECTOR, FBI (92-3068)

DATE: 3/22/67

FROM : LEGAT, MEXICO (92-26) (RUC) & u

SUBJECT: MORRIS BARNEY DALITZ, aka.
AR

CLASS. & EXT. BY 2602/nel
REASON - FCIM II, 1-2.4.2
DATE OF REVIEW 3/22/87

Re Mexico City letter, 7/31/64. & u

[REDACTED] (conceal) furnished
the following information concerning gambling developments
in Acapulco. & (u)

For some time past, pressure has been built up
to permit gambling in Acapulco and, according to the source,
this was the reason why captioned subject built a home in
Acapulco which would be used in the promotion of gambling
and source believed this was the reason FRANK SINATRA also
purchased a house in Acapulco. Interest in permitting gamb-
ling in that area was promoted by DALITZ whose house has,
in the past few years, been occupied by his divorced wife,
AVERILE DALITZ, with whom DALITZ still maintains contact,
and by SINATRA and related interests.

[REDACTED]

In the opinion

- (6) Bureau
 - (1) - Liaison Section
 - (2) - Las Vegas, 92-461
 - (2) - Los Angeles, info
- (1) - Mexico City & u

RSC:ira
(7)

REC 20

ST-103 - 3068 - 459

MAR 31 1967

~~CONFIDENTIAL~~



61 APR 11 1967

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

1 Keroy & d

EXP. PROC.

UNRECORDED COPY FILED
CLASS. & EXT. BY 6343/ST/ST
REASON - FCIM II, 1-2.4.2
DATE OF REVIEW 3-22-87
appeal 80-1996

~~CONFIDENTIAL~~

[MEX 92-26] Q4

of the source, the gambling interests from the U.S. appear to be withdrawing from Acapulco and will concentrate their efforts elsewhere, probably in the Miami area or the West Indies. Q(u)

Information copy to Los Angeles because information herein pertaining to FRANK SINATRA may be of interest to that division.

- 2 -

~~CONFIDENTIAL~~

The Acting Attorney General

November 2, 1966

Director, FBI

1 - Mr. DeLoach
1 - Mr. Gale
1 - Mr. McAndrews

NEV.
MILTON JAFFE
ORGANIZED CRIME AND RACKETEERING
CASES PENDING IN THE TAX DIVISION

b7c

Criminal Intelligence Program

Reference is made to Mr. Rogovin's memorandum of October 24, 1966, and my memorandum of October 26, 1966.

Milton Jaffe has never been the subject of any electronic surveillance conducted by this Bureau.

On May 8, 1963, and June 3, 1963, Jaffe participated in meetings which were monitored over a microphone located at the Desert Inn, Las Vegas, Nevada. Jaffe was also referred to in the conversation of other persons monitored over this microphone on May 5, 1962, May 21, 1963, July 11, 1963, July 17, 1963, and August 7, 1963. This microphone was in operation from March 22, 1962, to August 15, 1963.

Jaffe further participated in a conversation on July 30, 1963, which was monitored on a microphone located at the Stardust Hotel, Las Vegas, Nevada. This microphone was in operation from June 27, 1963, to August 15, 1963.

The logs pertaining to the foregoing conversations are presently maintained at FBI Headquarters where they are available for your review.

None of this material pertaining to Jaffe was disseminated to the Internal Revenue Service.

1 - The Deputy Attorney General

1 - Mr. Mitchell Rogovin
Assistant Attorney General

NOTE: See memo J. H. Gale to DeLoach, captioned "Organized Crime and Racketeering Cases Pending in the Tax Division," 10/28/66, TJE:tjm

Tolson _____
DeLoach _____
Mohr _____
Aick _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holmes _____
Gandy _____

MAIL ROOM ☐ TELETYPE UNIT ☐

170 FEB 12 1967

NOV 3 1966

ORIGINAL FILED IN

UNITED STATES GOVERNMENT

Memorandum

TO : Thomas J. McAndrews
Federal Bureau of Investigation

FROM : Fred G. Folsom, Chief
Criminal Section
Tax Division, Department of Justice

SUBJECT: MILTON JAFFE
ORGANIZED CRIME AND RACKETEERING
CASES PENDING IN THE TAX DIVISION

DATE November 14, 1966

This will acknowledge receipt of the following
logs of pertinence to Jaffe:

1. Desert Inn; 5/5/62, 5/8/63, 5/21/63, 6/3/63,
7/11/63, 7/17/63, 8/7/63.
2. Stardust; 7/30/63.

November 14, 1966

F. G. Folsom



5010-108

ENCLOSURE

b2
92-3066
92-3068
Morris Barney Dabitz

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

UNITED STATES GOVERNMENT

Memorandum

TO : Thomas J. McAndrews
Federal Bureau of Investigation

DATE: November 10, 1966

FROM : William Bittman, Department Attorney
Criminal Division

SUBJECT: RECEIPT - VOLUMES PERTAINING TO LAS VEGAS HOTELS

Receipt is hereby acknowledged of the following volumes of logs as set forth:

- b7C**
- (1) Flamingo Hotel - three volumes containing serials 1 through 420, file 92-704.
 - (2) [REDACTED] - one volume containing serials [REDACTED]
 - (3) Dunes Hotel - three volumes containing serials 1 through 539, file 92-703.
 - (4) Tropicana Hotel - two volumes containing serials 1 through 467, file 92-708.
 - (5) Stardust Hotel - one volume containing serials 1 through 49, file 92-706.
 - (6) Fremont Hotel - two volumes containing serials 1 through 231, file 92-739.
 - (7) Desert Inn - four volumes containing serials 1 through 727, file 92-461.
- orig*
orig
orig
orig
orig
orig
orig

92-1686
92-6154
92-6296
92-6273
92-6263
92-6264
92-6265
92-6266

William O. Bittman

By Austin S. [unclear]

92-3068
100-8-1967

53 MAR 13 1967

U.S. Savings Bonds Regularly on the Payroll Savings Plan

100-8-1967

121

The Acting Attorney General

February 23, 1967

Director, FBI

1 - Mr. DeLoach
1 - Mr. Gale
1 - Mr. McAndrews
1 - [REDACTED]

UNITED STATES v. JOHN FRANCIS DREW
LAS VEGAS, NEVADA

b7c

encl

Reference is made to the letter of Assistant Attorney General Mitchell Rogovin dated January 19, 1967, in which he requested information concerning electronic surveillance coverage of Drew and Bureau letter to you of January 23, 1967, referring you to material previously furnished the Department concerning Drew.

There are set forth hereafter specific details relative to each electronic device which covered Drew, the submission of which was ordered by United States District Judge Roger Foley based on a motion by the defendant.

[REDACTED] was located at the Green Gables Ranch, Petos Road, Paradise Valley, Las Vegas, Nevada, and was in operation from July 6, 1961, until July 12, 1961. This microphone was installed by Special Agent (SA) [REDACTED]

The following Agents monitored this installation on the respective dates set forth:

July 6, 1961 - SA [REDACTED]

July 7, 1961 - SA [REDACTED]

July 8, 1961 - SA [REDACTED]

July 9, 1961 - SA [REDACTED]

MAILED 2
FEB 23 1967
COMM-FBI

ENCLOSURE

Tolson _____
DeLoach _____
Mohr _____
Wick _____
Casper _____
Callahan _____
Conrad _____
Felt _____
Gale _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Holloman _____

NOTE: See page 9.

MER:skk
(9)

Note: See memo Gale to DeLoach 2/21/67 regarding JOHN FRANCIS DREW
MER:skk

NOT RECORDED

NOT RECORDED
170 MAR 14 1967

UNRECORDED ORIGINAL FILED IN 92-4843-274

TELETYPE UNIT

The Acting Attorney General

During the period that this microphone was monitored SA [redacted] and Special Agent in Charge [redacted] monitored and reviewed tapes from this microphone. [redacted] was monitored in an apartment building located in the immediate vicinity of the residence of the Green Cables Ranch.

Copies of the logs and accompanying transcripts pertaining to [redacted] were furnished to you on August 31, 1966.

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[redacted] was located at the residence of John Drew, 338 Desert Inn Road, Las Vegas, Nevada, and consisted of two microphones which were installed on August 18, 1961. This installation was made by SAs [redacted] and [redacted]. A third microphone was installed at this location on September 13, 1961, by these same Agents. All microphones were disconnected temporarily on March 5, 1963, reactivated April 27, 1963, and permanently terminated on May 5, 1963. The logs and supporting airtels pertaining to [redacted] were furnished to you on August 25, 1966. The identity of the monitoring personnel is set forth on each log. These logs were monitored at the Las Vegas Office and following the transcribing of information contained thereon, were erased upon the instructions of the Special Agent in Charge of the Las Vegas Office.

[redacted] was a microphone which was located in the Desert Inn Hotel, Las Vegas, and was activated on March 22, 1963, and terminated August 16, 1963. This installation was made by SA [redacted].

The following individuals monitored this installation on dates in which Drew was present or referred to:

SA [redacted] Investigative Clerk [redacted]
[redacted] Investigative Clerk [redacted] Investigative
[redacted] and former Investigative Clerk
[redacted] This microphone was monitored at the FBI Office in Las Vegas.

Although the logs and airtels covering the installation at the Desert Inn have been previously furnished to you, copies of the pertinent logs involving Drew will be forwarded to assist your review.

The Acting Attorney General.

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[redacted] was a microphone located at the Stardust Hotel, Las Vegas, and was in operation from June 27, 1963, until August 18, 1963. This source was installed by SA [redacted] and was monitored at the FBI Office in Las Vegas.

The logs and accompanying airtels were submitted to the Department on August 31, 1966. The names of the individuals monitoring these activities are noted on the individual logs. Upon the transcribing of conversations from the original tape-recordings, each tape was erased upon the instructions of the Special Agent in Charge of the Las Vegas Office.

[redacted] was a microphone located in Celano's Tailor Shop, 820 North Michigan Avenue, Chicago, Illinois, and was in operation from July 29, 1959, until August 22, 1963. This installation was made by SAs [redacted] and [redacted].

John Drew was present at a conversation which was monitored on December 12, 1960, by SA [redacted]. This information was later reviewed and dictated into an airtel summary by SA [redacted].

The procedure regarding the handling of the original tapes on which these conversations were recorded was as follows: The tape was reviewed and the pertinent conversations transcribed by one or more employees. Following the transcription, these tapes were erased upon the orders of the Special Agent in Charge of the particular office in which the conversation was taped. This procedure was followed in all instances covering all conversations concerning Drew.

A copy of the airtel containing this conversation is being furnished to the Bureau and will be delivered to the Department upon its receipt.

The Acting Attorney General

Each of the foregoing microphone installations was installed under the general authority of the Attorney General of the United States for the express purpose of gathering intelligence information on organized crime throughout the United States.

There follows a list of reports and other communications in which information received from the aforementioned sources was contained. Copies of those communications which have not been previously furnished to the Department are being forwarded to the Bureau and will be furnished to you upon their receipt. Those communications containing information from these sources are as follows: (The date appearing within the parentheses following each communication is the date that said communication was forwarded to the Department.)

Report of SA [REDACTED] dated November 18, 1960, at Salt Lake City, containing information from [REDACTED]. This informant was carried as [REDACTED] (December 1, 1960)

Report of SA [REDACTED] dated February 20, 1961, at Las Vegas, containing information from [REDACTED] covered by [REDACTED] (March 2, 1961)

Report of SA [REDACTED] dated November 7, 1961, at Las Vegas, with the following informants: (November 21, 1961)

Special summary report of SA [REDACTED] dated March 15, 1962, at Las Vegas, contained following informants: (March 22, 1962)

The Acting Attorney General

Report of SA [REDACTED] dated May 25, 1962,
at Las Vegas, contained following informants: (June 8, 1962)

[REDACTED]

Report of SA [REDACTED] dated July 5, 1962,
at Las Vegas, contained following informants: (July 11, 1962)

[REDACTED]

Report of SA [REDACTED] dated August 9, 1962,
at Las Vegas contained following informants: (August 17, 1962)

[REDACTED]

Report of SA [REDACTED] dated September 7,
1962, at Las Vegas, contained following informants:
(September 19, 1962)

[REDACTED]

Report of SA [REDACTED] dated October 11, 1962,
at Las Vegas, contained following informants: (October 19, 1962)

[REDACTED]

Report of SA [REDACTED] dated January 3,
1963, at Las Vegas, contained following informants:
(January 14, 1963)

[REDACTED]

Report of SA [REDACTED] dated April 4, 1963,
at Las Vegas, contained following informants: (April 16, 1963)

[REDACTED]

Report of SA [REDACTED] dated June 25, 1963,
at Las Vegas, contained following informants: (July 5, 1963)

[REDACTED]

Report of SA [REDACTED] dated August 29, 1963,
at Las Vegas, contained following informants: (September 10, 1963)

[REDACTED]

The Acting Attorney General

Report of SA [REDACTED] dated November 19, 1962,
at Las Vegas, entitled [REDACTED] Anti-
Racketeering." (November 28, 1962)

[REDACTED]

Report of SA [REDACTED] dated April 26, 1963,
at Las Vegas, entitled [REDACTED] Anti-
Racketeering." (May 6, 1963)

[REDACTED]

Report of SA [REDACTED] dated July 17, 1963,
at Las Vegas, entitled [REDACTED] Anti-
Racketeering." (July 30, 1963)

[REDACTED]

Report of SA [REDACTED] dated November 21,
1961, at Las Vegas, entitled [REDACTED] Anti-
Racketeering." (December 1, 1961)

[REDACTED]

Report of SA [REDACTED] dated February 9,
1962, at Las Vegas, entitled [REDACTED] Anti-
Racketeering." (February 16, 1962)

[REDACTED]

Report of SA [REDACTED] dated August 28,
1961, at Las Vegas, entitled "George Gordon, aka, Anti-
Racketeering; Interstate Gambling Activities."
(September 12, 1961)

[REDACTED]

Report of SA [REDACTED] dated September 21,
1961, at Las Vegas, entitled "Morris Kleinman, aka, Anti-
Racketeering; Interstate Gambling Activities." (October 6, 1961)

[REDACTED]

The Acting Attorney General

Report of SA [REDACTED] dated August 4, 1961, at Chicago, entitled "Samuel M. Giancana, aka, Anti-Racketeering." (August 15, 1961)

[REDACTED]

A 256-page memorandum entitled "Samuel M. Giancana, aka, Anti-Racketeering," dated August 31, 1962, which includes information on John Frank Drew, which appears to be from [REDACTED] on page 215. (September 12, 1962)

It is pointed out that one copy of the special summary report of SA [REDACTED] dated March 15, 1962, at Las Vegas captioned "John Frank Drew" was furnished to the Internal Revenue Service on April 2, 1962, at Washington, D. C.

Being furnished to the Department upon its receipt is a copy of a teletype dated June 19, 1963, captioned [REDACTED] aka, et al, Interstate Transportation in Aid of Racketeering - Extortion," together with an airtel captioned "Morris Barney Dalitz," dated June 25, 1963, both of which contain information received from [REDACTED] pertaining to Drew.

This is to advise that this Bureau never conducted any "wiretaps" on Drew nor any other persons with whom he was in contact.

In connection with information received pertaining to contacts by Drew with any of his attorneys, there will be furnished to the Department upon its receipt by this Bureau from the Las Vegas Office, a copy of Las Vegas airtel captioned "John Frank Drew" dated April 10, 1962, referring to a contact with [REDACTED]. This entry does not appear on any log. Also to be furnished is the log for May 17, 1962, covering the microphone at Drew's residence, as well as the airtel captioned "John Frank Drew" dated May 21, 1962, which sets forth information pertaining to the conversations between Drew [REDACTED]. The foregoing conversations between Drew [REDACTED] were recorded on the microphone located at Drew's [REDACTED].

The Acting Attorney General

67C With the exception of the report of SA [REDACTED] referred to previously, no other material referred to above has been disseminated to the Internal Revenue Service.

Concerning the defendant's request for the inspection and review of detailed information pertaining to electronic surveillance coverage of his activities, it is pointed out that in similar cases in other Federal Districts it has been acceptable for the Government to stipulate that such coverage was effected through trespass, thereby negating the introduction of said details into the record as they are not germane to the issue. It is strongly urged that the Department consider a similar stipulation in this matter.

Your attention is directed to the fact that in the reports referred to heretofore, which contain information of pertinence to Drew received from electronic devices, there is also present information received from live informants. While the identities of these persons are covered by T-symbols, it would not be difficult for a person familiar with the circumstances and activities reported, when reviewing these reports, to, in many instances, identify the informants furnishing the information. To allow this to happen would place the lives of these informants in extreme jeopardy.

The Department is strongly urged to excerpt from these reports that information which was received from electronic devices and furnish only these excerpts to the defense. It is further requested that this procedure be used in regard to other communications such as airtels and memoranda being furnished in this case.

You are requested to advise this Bureau of your final determination in this matter prior to the submission of any material to defendant.

1 - The Deputy Attorney General

1 - Mr. Mitchell Rogovin
Assistant Attorney General

The Acting Attorney General

NOTE: The caption on the letter to the Acting Attorney General is that used on their request to us. We have carried Drew as John Frank Drew as it appears on memo.

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On 1/12/67 Judge Roger Foley of the United States District Court in Las Vegas granted the defendant's motion to discover and inspect all of the material concerning defendant obtained through electronic surveillance coverage. Most of the material in the Drew case was furnished to the Department in August of 1966, notably the logs and airtels covering [REDACTED] which sources primarily covered Drew's activities. Judge Foley's order was much broader in scope and required a more thorough review of our electronic coverage of Drew. Las Vegas, Office of Origin in this case, after conducting an initial review, set out leads to 41 field divisions requiring intensive review of their files in this case. Prior to completion of its review, Las Vegas found it necessary to set out leads to 10 additional offices to fulfill the request of the Court. As a result of their reviews, Chicago, Salt Lake City, New Orleans, Jackson and New York set out additional reviews. Upon submission of this letter to the Acting Attorney General and the documents that are being forwarded to the Bureau (now in the Bureau's possession and to be forwarded immediately), the Department will be in possession of all material necessary to fulfill the court order.

mark

UNITED STATES GOVERNMENT

Memorandum

TO : Thomas J. McAndrews
Federal Bureau of Investigation

FROM : Charles McNelis
Departmental Attorney, Tax Division
Department of Justice

SUBJECT: JOHN FRANK DREW
RECEIPT

DATE: February 23, 1967

This is to acknowledge receipt for copies of the following material:

- b2
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1. One Las Vegas airtel captioned "John Frank Drew" dated 4/10/62 (LV 92-21, Sub 1-42)
 2. One log of 5/17/62 for [REDACTED]
(LV 92-21, Sub 2-325)
 3. One Las Vegas airtel captioned "John Frank Drew" dated 5/21/62 (LV 92-21, Sub 1-48)
 4. One Las Vegas airtel captioned [REDACTED]
[REDACTED] dated 6/7/62 [REDACTED]
 5. One Las Vegas airtel captioned [REDACTED]
[REDACTED] dated 9/11/62 [REDACTED]
 6. Seven logs from [REDACTED] dated as follows:

11/7/62	(LV 92-461, Sub 2-315)
1/8/63	(LV 92-461, Sub 2-398)
3/6/63	(LV 92-461, Sub 2-478)
4/8/63	(LV 92-461, Sub 2-526)
5/20/63	(LV 92-461, Sub 2-589)
5/21/63	(LV 92-461, Sub 2-593)
6/19/63	(LV 92-461, Sub 2-632)
 7. One teletype captioned [REDACTED]
"ITAR - Extortion" dated 6/19/63
(LV 92-461, Sub 1-84)
 8. One Las Vegas airtel captioned "Morris Barney Dalitz" dated 6/25/63 (LV 92-461, Sub 1-85)



5010-108

ENCLOSURE

Desert Inn

92-3068

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Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan